A U.S. DEPARTMENT OF COMMERCE WEEKLY

International Commerce

March 25, 1968

International Trade Winds Newsletter

Company News

PACKAGING—Rheem Manufacturing Co., New York, has announced three new ventures in various parts of the world. Rheem and Blagden & Noakes (Holdings), Ltd., of England, have agreed in principle to a combination of their respective steel drum and plastics interests in the United Kingdom. Rheem Metalurgica, Ltda., a Brazilian company owned by Brazilian interests and Rheem International, has purchased a large can manufacturing plant at Rio de Janeiro. Rheem International also has agreed to buy certain assets of Rexach Steel Corp., San Juan, Puerto Rico, to manufacture steel shipping containers. Rheem now operates 64 plants in 28 countries abroad.

DIESEL ENGINES—The manufacture of a group of International Harvester-designed diesel engines for vehicles has recently been approved by the Government of Turkey. The Turkish firm of Turk Otomobil Endustrisi Anonim Sirketi (TOE), in which International Harvester Co., Chicago, has a minority interest, will commence production in 1970, producing engines with 35 to 175 h.p. at a rate of 40,000 units annually.

ENGINEERING—Airways Engineering Corp., Washington, D.C., has completed designs for an entirely new airport and terminal complex at Jidda, Saudi Arabia, and for modernization and expansion of the existing airport at Riyadh. The $120 million combined project comes up for bids shortly, and 14 American firms have been invited to bid on the construction contract. The new facilities have been designed to handle supersonic jet transports and are expected to be equipped to handle planned increases in air traffic through the 1980's.

DATA PROCESSING—Computer Bureau (Shannon), Shannon, Ireland, has installed a Honeywell 120 computer system, made by Honeywell, Inc., Minneapolis, Minn. The new system will improve the Shannon firm's capacity as an international keypunch center and will help establish it as a computer service bureau for Ireland. The Shannon bureau recently joined University Computing Co., Dallas, Texas, which now operates ten computer centers in the United States and sends its data preparation work to Shannon.

The Indian Investment Centre, at 708 Third Ave., New York 10017, agrees with our recent Economic Trends Report (published in telegraphic form in the Feb. 19 issue, and in more detail March 11) that a record harvest and a record national income, along with improved prospects for U.S.-affiliated companies in India, make India worth a good look by world traders at this time. The Centre has reprinted the Trends Report summary for U.S. news media.

Lights stayed on all night in Berlin for American furniture. As a feature of an America Weeks promotion arranged by the U.S. Department of Commerce, the Huebner Furniture Store kept its display windows lit through the night, also extended store hours. The February-March event was initiated by a $100,000 purchase of U.S. goods. Shortly after opening, a first reorder was made and a second was in preparation. America Weeks items at Huebner's made a 20-room display.

A billion dollar product—and more than half will be sold overseas. It's NCR's prediction for its new "third generation" Century Series of computers, developed at a cost of $130 million. The forecast agrees with the conclusion expressed frequently in our pages that the computer market abroad has scarcely been tapped, and will grow even faster than the U.S. market. NCR says that its business is already 45% international.

Officials of 17 U.S. companies whose medicines and other products serve the animal health field are now allied in an International Committee of the Animal Health Institute. The committee's first project is a useful tool in building U.S. trade in this field: a directory of international contacts, including trade and industry associations, world foundations, government agencies and individuals.

Happy birthday, Seki & Co.! So said visitors to a between-regular-shows Trade Center presentation last month of U.S. electronics equipment by the Japanese importer/distributor. In addition to wishing Seki a happy 20th anniversary the 1,043 visitors at the Tokyo U.S. Trade Center left orders that will add up to impressive sales over the next year. This between-shows use of the Center was also a way to introduce a dozen new products from the States and a means to identify Seki's most promising product lines.

NOTICE: This information is offered to preview or provide informally brief and varied comment on Bureau of International Commerce worldwide export and investment promotions. It is not final and does not substitute for detailed know-how and analysis in our regular news columns.

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the cover

The "USA" on the side of the British Railways locomotive stands for a group of 16 U.S. companies, whose compact computer equipment is rolling out of the London U.S. Trade Center to showings in four cities: Birmingham, Manchester, Newcastle-upon-Tyne and Glasgow. Trade visitors came to trackside to view the equipment, as is shown in the scene on the back cover. When the seven-coach special ended its trip, a projection of more than $7.1 million in sales over the next year was made by the exhibitors. For details on sales prospects ahead in Britain in the wake of devaluation of the pound, see the special section beginning on page 2.

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International Commerce

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Special section assesses U.K. since devaluation

The British Railways locomotive on this week's INTERNATIONAL COMMERCE cover, pulling compact computer equipment from 16 U.S. companies across the English landscape, can also symbolically carry our readers into an 18-page special section about U.S. market prospects in the United Kingdom. The section, prepared with the assistance of staff members of the U.S. Embassy in London, includes:

► A text-and-photo report on the computer trade show, which opened at the London U.S. Trade Center and then went by rail to showings in Birmingham, Manchester, Newcastle-upon-Tyne and Glasgow, Scotland.

► An assessment of overall Economic Trends in the United Kingdom, timely now as the effects of last November's devaluation of the pound begin to emerge in various segments of the economy.

► A review of U.S. trade prospects in Britain with special attention to the areas of good promise, along with an examination of some investment and travel aspects.

► A look at the lively situation in the British electronics industry, with focus on devaluation's effect, Government spending cutbacks, mergers, and U.S. market advances.

► A perspective report on the British computer and business machine industry, also the scene of current changes.

► A text-and-photo report on the opening of an America Weeks consumer goods promotion at Harrods department store in London.

It should be noted that these reports arrived in the United States prior to the mid-March events in the international gold market. Also, this section was already at the press as the details of the new British Government budget were made public.

The budget, which is expected to roll back the British standard of living by 1% in the coming year, is reported to include these highlights: a ceiling of 3½% on wage increases; higher taxes on gasoline, liquor, tobacco and many other consumer goods; increased motor vehicle fees; a special one-year tax on unearned income, and a 50% increase in the Selective employment Tax. The new budget aims at reducing domestic demand, thereby freezing resources for exports.

These stories do reflect the dominant event in recent months—whose influence will shape much of what happens in 1968—the Nov. 18 devaluation of the pound by 14.3%.

Some purchasers of British products have been surprised to note that prices have not automatically been reduced by 14.3%. From Nov. 18 to this time of writing there has been in fact no uniform pattern of reductions in export prices of British products.

Simultaneously with the devaluation, the Government announced adoption of other measures whose net effect was to reduce the price advantage devaluation conferred on exporters.

These measures included an increase in bank rates from 6½ to 8%, a 2½% increase in corporation tax to 42½%, elimination of the Selective Employment Tax premium previously paid to manufactures outside development areas, and intention to remove the 2 to 3% export rebate before April 1. Taking all these measures together, the net benefit to exporters came closer to 5 to 6%.

No uniform pattern of export price reductions has yet emerged, even at this 5 to 6% level, because some exporters concluded that existing price levels were not in fact restraining sales; many firms have thus decided to leave prices abroad unchanged, using the increased earnings of foreign exchange to bolster profit positions or to expand promotional efforts abroad.

Some other firms have reduced their foreign prices, but by less than the amount of the devaluation, so that sterling prices could still be increased somewhat permitting increased earnings of foreign exchange. And some firms have of course reduced foreign currency prices by the full amount of the devaluation.

Contributing also to the lack of pattern in British export price developments since devaluation is the fact that a complete Government post-devaluation program was not announced in November. After Mar. 19, when the budget "other shoe" dropped, a more uniform pattern of post-devaluation export price developments can be expected to become evident.

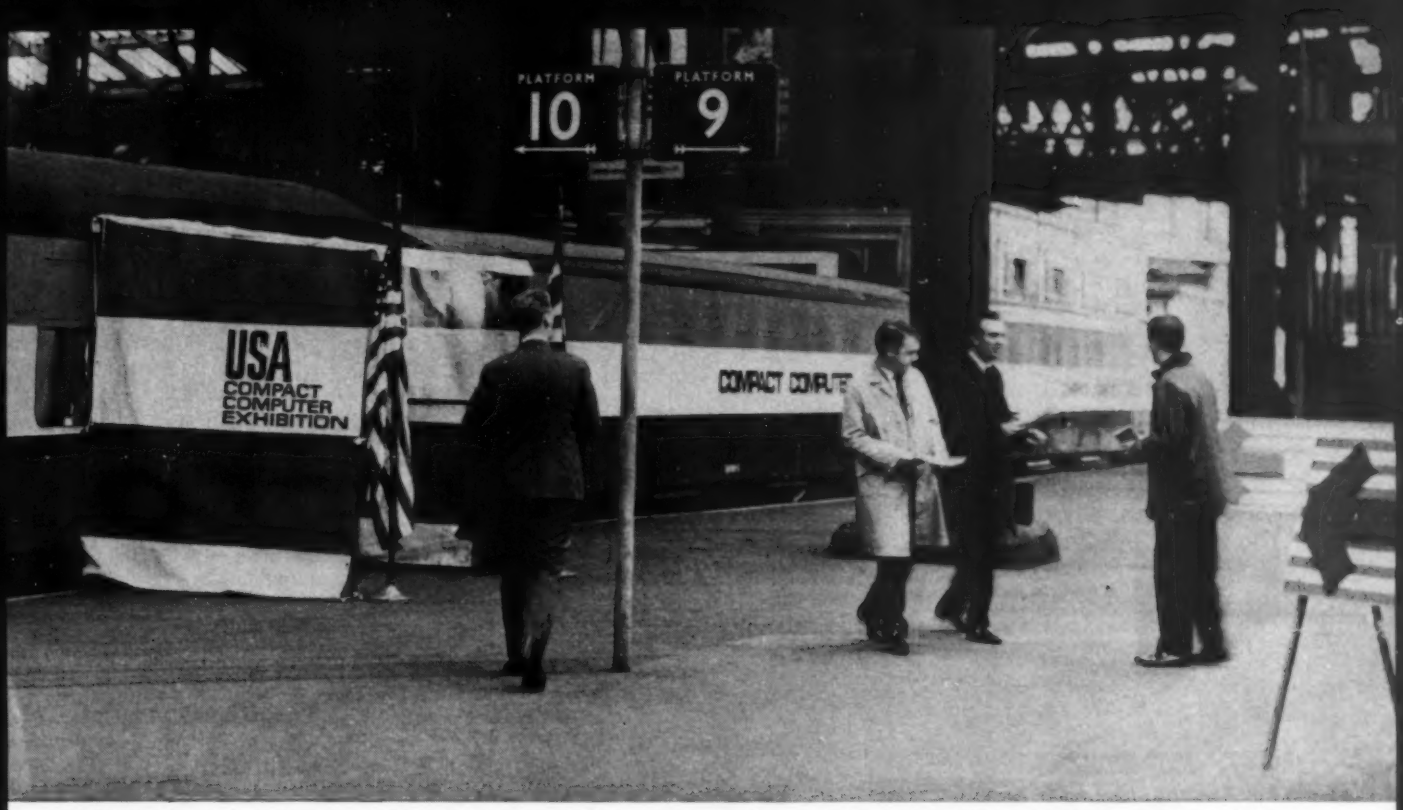
The six-weeks long America Weeks exhibition at Harrods prompted Secretary of Commerce Cyrus R. Smith to send a telegram to Harrods reading: "Please accept my sincere congratulations on Harrods "Best of Both Worlds" exhibition. This joint display of American and British quality merchandise is truly a most effective way to dramatize the close ties of two-way trade which have prevailed in our relations from the time of colonial Williamsburg to the present day".

This statement by Secretary Smith reasserts the welcome which the U.S. has given for many years to those promotions of British goods which have become a familiar part of the American scene, and emphasizes the significance which the Government attaches to expanded trade promotion operations abroad. U.S. Department of Commerce-sponsored promotional activities in the United Kingdom in 1967 were varied and vigorous. At the U.S. Trade Center in London, seven official shows were held producing off-floor sales of $452,000 and estimated first-year sales of $7,200,000.

The involvement of the Commercial Staff of the American Embassy in London in providing advice and assistance to the business community rose substantially in 1967. The number of American businessmen visiting the Embassy jumped to more than 1,500, up more than 50% from 1966, while the number of foreign businessmen visitors rose substantially to 6,539.

The Embassy also provided direct assistance to six trade groups visiting the United Kingdom in search of markets, contacts, representatives and other types of business opportunities.

U.S. exports to the United Kingdom in 1967 rose by about 12% in spite of the fact that the overall level of economic activity in the United Kingdom during this period was not expansive. If the predictions of the majority of observers are proved correct, and 1968 should see an upswing in investment and industrial production in the United Kingdom, an opportunity will be presented to U.S. exporters to expand their sales of industrial products there by a proportion at least equal to that recorded in 1967.



MANCHESTER TRAIN STOP drew nearly 1,200 visitors to see the U.S. compact computers on display in four rail cars. Attendance was highest of trip.

COMPACT COMPUTERS WIN BUYERS

Train rolls to sales in U.K.

First U.S. exhibitor on rails brings sales predictions of $7.1 million from 16 firms in show

It took a British Railways locomotive only hours to pull seven cars from London's Olympia Station to Moor St. Station in Birmingham, but it transported 16 U.S. computer manufacturers from the London world of buyers to an entirely new field of decision-making executives in the British and Scottish uplands.

Beginning with a regularly-scheduled show at the U.S. Trade Center in London, the train carried compact computers with the "Made-in-USA" label to exhibitions in four other United Kingdom cities during January and February.

London officials called the exhibition there "the most successful in the Trade Center's history," and the train-mounted portable show carried the success to Birmingham and on to Manchester, Newcastle-upon-Tyne, and Glasgow.

Results for the entire trip: $346,410 in immediate confirmed sales, a prediction of over $7.1 million in sales during the next twelve months.

One firm, Mohawk Data Sciences Corp., Herkimer, N.Y., sold eleven machines valued at over $80,000 at the train's first stop in Birmingham. "The proportion of decision-makers among the visitors was extremely high," said a Mohawk company official. "The market promotion has paid off very well, not only as regards inquiries, which have been very heavy, but also in terms of the high proportion of 'hot prospects.' The cost to our company has been extremely low in relation to the results achieved."

Monroe International, Inc.'s representative was exuberant in his praise of the whole train show idea. "The exhibition has exposed our products to prospects in the midlands of the type whom we have hitherto only been able to reach in London and southeast areas of the country. In this it has been of the greatest value."

Borrowing an idea from the past use of trains by British firms for their own sales promotions within the United Kingdom, Donald Kilby, Director of the U.S. Trade Center in London, first proposed the combined Trade Center-traveling exhibition late in 1966, following a highly successful show of compact computers held by British agents for U.S. manufacturers.

Market development studies and exhibit design plans were initiated early in 1967, and work began in earnest when a market development and exhibit management team arived in Great Britain in October.

Birmingham, Manchester, Newcastle-upon-Tyne, and Glasgow were chosen as the train stops because, combined with London, they provided access to over 80% of the potential sales market in the British Isles for computer equipment of the type which was to be shown.

Plans called for the train section of the show to consist of four exhibition cars, converted from mail cars; a first-class car, with its compartments fitted out as offices; a dining car; and a regular coach to

COMPUTER UTILIZATION PLANNERS from the Birmingham area examine Teletype Corp.'s display (above). Potential buyers in systems manufacture field discuss terms with Varian representative (below).

"GOOD LEADS," reported Optical Scanning Corp.'s representative on the train. Visitors such as those below from British industry and associations flocked by during the 12 days of the train show.

transport the fifty exhibitors and staff between the exhibition cities.

An intensive, nationwide market development program was undertaken to ensure the success of both the Trade Center show and the rail exhibition. The entire operation was presented to the British trade as a five cities exhibition of American compact computers in order to enable U.K. companies throughout the country to see the products being demonstrated rather than limiting the showing to firms in the London area.

This method of presentation clearly demonstrated to buyers in the provinces that, at least in so far as the U.S. exhibition was concerned, the entire market for compact computers was not concentrated in and around London but there was a very substantial and virtually untapped market throughout central and northern England and Scotland.

The regional campaign opened in October 1967, with visits to each of the four cities for conferences with local Chamber of Commerce officials, members of the Confederation of British Industries, Productivity Councils, other trade associations and members of the press and television networks. These meetings provided the foundation upon which mailing lists could be built to cover every significant company, local and national government office and university in the four regions.

Guest lists were compiled for a series of official receptions given for leading industrialists, press and other opinion molding personalities during December and January.

Market development

The market development team then followed up each reception with personal calls on leading industrial and commercial enterprises in the area. The same type of campaign was undertaken in London. As a result of these activities, a substantial mailing list was obtained, covering all five cities and broken down into categories according to importance and potential interest to exhibitors.

The publicity campaign began with a press conference at the American Embassy in London some eight weeks prior to the opening of the Trade Center show, for the benefit of trade and technical journalists having a longer publishing schedule than newspaper writers.

A full briefing was provided, covering the technical content of the show and its method of presentation at each of the five stops.

Special news items were prepared later for national and regional newspapers, for publication in the weeks immediately prior to the exhibition. In addition, per-

sonal calls were made upon the news and industrial editors of every morning and evening paper and television station in each of the four provincial cities.

The London showing, lasting less than half as long as many Trade Center shows, and with half the usual number of exhibitors, broke all records for attendance at the Center, with some 2,500 visitors streaming through the displays during the four-day run.

Sales there off-the-floor totaled over $100,000, and projections of sales in the London area during 1968 as a result of the show topped $2.5 million.

Before the train had left London, Wang Laboratories, Inc. had made $70,000 in immediate sales, and the company's representative reported, "We are now two years ahead of our planned effort in the United Kingdom. This effort has made it necessary for us to increase our force in the U.K. by adding two more sales people, bringing our total to five since January 1, when we first started our sales effort here."

The train stopped for three days each at Birmingham, Manchester, Newcastle, and Glasgow, and 3,458 eager trade buyers were lined up at the cities to see the U.S. equipment on display.

On-the-spot sales at the four train stops, not including the value of merchandise turned over to agents and distributors, went over $242,00, with sales predictions for the U.K. market areas outside London reaching $4.4 million.

"People who missed the London show came to Birmingham to see us and people from Glasgow came down to Birmingham to get an early look so they would be able to have the right people at the exhibi-

COMPANY REPRESENTATIVE for Cummins Chicago explains equipment to visitors from the Manchester area (above). Mathatronics official demonstrates products to Manchester Electronics buyers (below).

EXCHANGING CONTRACTS for 11 machines bought on first train show day are Alan Richardson, Mohawk agent (at left, below left photo), R. A. Peddie (seated), deputy regional director of the Central Electricity Generating Board, and N. C. Mander, head of the Board's regional computing branch. Looking on (at right) is U.S. Market Development Officer Douglas Harwood. Raytheon equipment is demonstrated (below right) to interested production analysts.

"WRAP IT UP!" said D. J. Hall of the University of Aberdeen (above left) to Wang Laboratories representatives. Hall carried a miniature computer home with him, and anticipates further purchases.

U.S. AMBASSADOR David K. E. Bruce (center above) inspects Digital Equipment Corp. display with Digital officials. Glasgow businessman discusses Electro-Mechanical Research machines (below left).

tion in Glasgow," said Wang Laboratories' official on the train.

Every one of the 16 exhibitors expressed complete satisfaction with the results of the combined exhibitions, both from a sales standpoint and from the numbers of valuable business contacts made for future follow-up.

For an industry which does not usually sell its products "off-the-shelf" or outside a prospect's office or plant, the floor sales recorded at London and on the train trip were a pleasantly unexpected surprise.

"This has been a very successful attempt to cover 80% of the British market," said an official of Clary Corp., echoing the feelings of all the exhibitors "and the contacts made here will prove invaluable in the future."

Press coverage of the exhibition at all stops was excellent, with companies attributing many visitors directly to the publicity in local news media. Consistent coverage of the smallest computer in the show, a Wang Laboratories model, helped the firm to leap two years ahead of its previously planned sales effort in the United Kingdom.

An article in the *National Daily Telegraph* on one display resulted in a firm inquiry to the exhibitor estimated by the company to be worth over $400,000. All principal regional media covered the openings at each city on the trip, including local radio and television reporters, and much national coverage was provided throughout the tour.

Optical Scanning Corp.'s representative commented, "Publicity, exposure, and design were done in a most capable manner. A company such as ours cannot buy the kind of publicity we received by way of the rail exhibition."

Several of the exhibitors found their best response in the "up-country" stops, rather than at the London Trade Center showing. Raytheon reported, "The visit to Manchester gave us the greatest publicity and resulted in one very large system inquiry."

A spokesman for Teletype Corp. commented, "The Birmingham exhibition certainly achieved all we had hoped to. Response was far greater than anticipated. On the whole the entire trip has been most successful in achieving our primary objective of exposure to new prospects.

Speaking of the Manchester showing, Digital Equipment Corp.'s representative said, "Many people who do not normally contact us have visited us in the three days here. A show like this is extremely good for promotional purposes, and well worth repeating. "

LORD MAYOR OF NEWCASTLE receives a demonstration (above left) of California Computer Products' data plotting system from company representatives. Ambassador Bruce examines Potter Instrument booth (above right) with U.S. Commercial Counselor Harold Hall (right), author of article on page 12.

Friden's local manager in England called the company's sales results "well above our expectation," and the company's final report cited "reopened negotiations with several prospects previously thought to be 'dead.'"

"Manchester prospects definitely appreciated the fact that they did not have to travel to London to see our exhibition," reported Potter Instrument Co. "Our company obviously could not have achieved this exposure to new business prospects by itself."

"Our conservative estimate of increased sales in the next 12 months," a Monroe official reported, "includes equipment for major British concerns. Successful establishment of these installations is expected to result in greatly increased sales in future years. From among the inquiries we hope to develop an entirely new U.K. application for our equipment which may well double our expectation of sales in this market."

As the train progressed through Great Britain, prearranged power and telephone lines were connected at each stop to run the lighting, heating and air conditioning, as well as to run the computers in operation in the displays. Services had been prepared so smoothly that the train displays were fully operational within an hour of arrival at each stop.

Official visits by the Lords Mayor of the cities and a constant stream of dignitaries and government executives swelled the attendance for the twelve days of the train show to well over 4,000.

The train exhibition was the first of its kind ever undertaken by the U.S. Department of Commerce, but from the unanimous applause for the results from this first pilot test, it is possible that similar ventures may be tried in other countries within the next several years.

Observers from Washington and from the U.S. Trade Centers in Stockholm, Frankfurt, and Milan were on hand to see the exhibition in operation on the train, to determine for themselves how the program might be adapted to varying conditions in their localities.

A poll taken among exhibitors at the close of the train show revealed unanimous support for another train-mounted exhibition of a similar nature to cover Continental Europe and Scandinavia as soon as such an undertaking could be planned.

Exhibits ahead in the U.K.

Exhibit opportunities in the United Kingdom for U.S. manufacturers continue throughout the year in regular shows at the U.S. Trade Center in London and at U.S. Exhibitions at international trade fairs in the country.

Six more commercial shows are planned at the Trade Center for the balance of this year, with the U.S. Department of Agriculture utilizing the Center facilities in March and again in November for displays of American agricultural products.

An industrial gas equipment exhibition will be held Apr. 17-25, with a physics research equipment show set for May 16-23, and a mechanical power transmission equipment show scheduled for June 12-20.

The second half of 1968 will see nuclear instrument systems and components displayed from Sept. 18-25, and an automotive service equipment show, Oct. 16-24. An exhibition of aviation communication equipment is under consideration for the last show of the year in December.

The facilities of the Trade Center are always available between regularly scheduled shows for use by U.S. companies or their British agents for single-sponsor shows, sales meetings, and other business purposes.

The Commerce Department will mount an official U.S. Exhibition in one more international fair at London this year, at the Instruments, Electronics, and Automation Show, May 13-18, featuring engineering computers and electronic production equipment.

Participation is also definitely planned in the Oceanology International exhibition to be held in Brighton, England, Feb. 18-21, 1969. This show will concentrate on oceanographic equipment and instrumentation.

For further information on any of these shows, write: Bureau of International Commerce (Code 942), U.S. Department of Commerce, Washington, D.C. 20230.

Devaluation effect varies

Move expected to bring no dramatic changes in import pattern; surcharge was clue

By MELISSA WELLS
Commercial Staff,
U.S. Embassy, London

Devaluation is, quite expectedly, dominating the British economic scene and outlook. Through devaluation British industry will be provided with a competitive edge both at home and abroad.

But devaluation has also focused attention on several problems which must be solved if a permanent improvement in the British balance of payments is to be achieved. Foremost among these are the need to reduce the level of home demand and shift resources from consumption into exports, and the need to restrain cost inflation.

The impact on American exports to the United Kingdom resulting from devaluation and related measures taken by the British Government is difficult to predict with precision.

In general, however, changes in British demand for American goods are not likely to be dramatic. Britain is and will remain, along with Western Germany, one of the two major European markets for American goods. American exporters need not be frightened away from Britain by the unduly pessimistic inferences they may have read in press reports.

In many respects devaluation will act as a dampener on import demand in much the same way as the temporary surcharge on imports which was in effect in 1964-66. Devaluation has generally raised the cost of imports to British buyers by an amount roughly equivalent to the 15% temporary charge on imports.

However, when the temporary surcharge was in effect, British purchases of American goods actually showed a steady and significant increase. The possibility that such purchases will continue to grow modestly despite devaluation should not be ruled out.

During 1967 American exports to Britain appear to have risen by about 12% to a new record high. Even if this pace is not maintained, it is unlikely that American sales will fall below the previous high in 1966.

As in past years, the strongest demand should be for advanced American machinery, instruments, and electronic products needed for modernization of British industry. British imports of American aircraft should continue at high levels, at least through 1969.

The sale of American consumer products may slacken, but generally speaking, these sell as luxury goods for which price is not of primary importance.

Devaluation will more specifically affect some U.S. agricultural exports. Fats and oils, mainly soybeans and lard, have been made less competitive as raw materials of edible fats by the devaluation of two of the major butter suppliers to the U.K., New Zealand and Denmark.

No major supplier of deciduous fruits has devalued but intense French competi-

Market profile—United Kingdom

Area: Comprises England, Scotland, Wales, Northern Ireland; 94,205 sq. mi.

Population: 55.1 million, 1967. Greater London, 8 million. Chief urban areas center around London, Manchester, Birmingham, Leeds, Liverpool, Newcastle upon Tyne, Glasgow.

Gross national product: GNP, 1966, climbed 4.3% to $90.5 billion; 1967 growth estimated at 1%. Manufacturing accounts for 35% of GNP; distribution, 12%; transport and communications, 8%. Agriculture is of little importance as component of GNP; about half of food supply is imported.

Minerals: Coal; small deposits of iron ore, limestone, tin, gravel, oil shale. Large quantities of natural gas recently found in North Sea and Northeast England.

Industry: Index of industrial production, 141 in Nov. 1967 (1958 = 100). Wholesale price index, Dec. 1967, for basic materials and fuel used in manufacturing industries, 116.9 (1954 = 100). Major industries: Iron and steel, engineering, textiles, chemicals, food products, consumer goods.

Labor: Total work force, more than 25.3 million. Unemployment 2.6% in Feb. 1968. Average weekly earnings in manufacturing industries, Apr. 1967, $59.16.

Finance: Currency, pound sterling (£1 = US$2.40). Through raising or lowering bank rate, Bank of England can restrict or ease domestic credit; current rate, 8% (Nov. 1967, 6½%). Current terms for consumer credit, deposit of 15% to 25% and usually maximum repayment period of 24 to 30 months. National budget: Expenditure estimated at $31 billion for 1967-68. Recurring balance of payments difficulties in post-war years.

Imports: Total, 1967, £6.4 billion; 1966, £5.9 billion. Imports from U.S.: 1967, £811.9 million; 1966, £722.9 million. Major imports from U.S.: Cereals, tobacco, textile fibers, chemicals, nonferrous metals, machinery, transport equipment, scientific instruments. U.S. share of import market, 1967, 12.6%.

Exports: Total, 1967, £5.2 billion; 1966, £5.2 billion. Exports to U.S.: 1967, £638.2 million; 1966, £651.6 million. Major exports to U.S.: Scotch whisky, textiles, iron and steel products, machinery, transport equipment.

Trade policy: Liberal. Member of GATT, OECD, EFTA.

Trade prospects: Automation equipment, specialized industrial machinery, control apparatus offer best immediate export opportunities for U.S. manufacturers.

tion has brought apple prices down since Christmas.

In the case of citrus, U.S. exports already face quota restrictions and now citrus from Spain, Israel and Cyprus has an additional advantage because of devaluation by these countries. However, U.K. tobacco imports from the U.S. should continue strong while the Rhodesia question remains unsolved.

Third country competition with U.S. exports—primarily from the EEC and EFTA countries—can be expected to stiffen in view of devaluation. Overseas suppliers are likely to reduce their prices and improve their terms in an effort to retain their position in the U.K. market.

Import substitution drive

The drive towards import savings through the substitution of British production should accelerate, essentially because domestic goods are given a competitive edge through devaluation.

However, the act of devaluation has brought home very forcibly to British industry and the British public the urgency of the country's balance-of-payments problem. This has given yet another strong boost to "Buy British" sentiment. It is increasingly cited as a reason for not buying imported products.

However, "Buy British" sentiment is not generally a controlling consideration. There is, moreover, a great deal of recognition in a trading nation such as Britain that trade is a two-way street and that an atmosphere of boycotting foreign goods would not be to Britain's long-run advantage.

A psychological factor that could benefit American goods in the U.K. market is the possibility that British exports to the United States will surge in 1968, giving Britain for the first time in this century a clearly favorable balance of trade with the U.S.

Economic chauvinism has not been a problem in the U.K., although a certain degree of sensitivity regarding the level of U.S. investment in Britain had been noticeable. But this mood has changed markedly since the President's Jan. 1 balance of payments program. In the comments immediately following the program's announcement, there was reflected a definite appreciation for the benefits which U.S. investment had brought to Britain.

The Government acted to curb the growth of public consumption when Prime Minister Wilson on Jan. 16 announced cuts of £300 million in public spending for the financial year 1968-69 and cuts of £416 million for the following year. Sharp cuts announced in defense will not show up for several years.

No announcements, however, were made to dampen a post-devaluation consumer spree. Some observers believed that the Chancellor deferred action on consumer spending because he was afraid to risk a recession by acting too early—before the post-devaluation export orders had begun to come in.

The argument against squeezing the home market too hard for the sake of exports has often been heard in Britain. Car manufacturers especially have frequently asserted that a buoyant home market is essential to a successful export drive, since a depressed home market raises unit costs and impedes export competitiveness.

Disappointment evident

Disappointment was evident in January over the lack of a tougher incomes policy as wage pressures mounted.

The size and the timing of the devaluation impact on the British economy are difficult enough to estimate. In addition, however, there is also uncertainty about the strength of the expansionist forces that were beginning to appear before devaluation. Most important of these is the effect of the reflationary measures of late August, 1966, which stimulated a revival in consumer spending. Further policy measures were expected in the new Budget.

In real terms, gross domestic product (GDP) remained virtually unchanged during the second and third quarters of 1967. Total output figures, however, continued to show a slight improvement for the first three quarters of 1967 over the corresponding period of 1966.

The seasonally-adjusted index of industrial production for the months of September, October and November indicates that production had remained virtually static before devaluation.

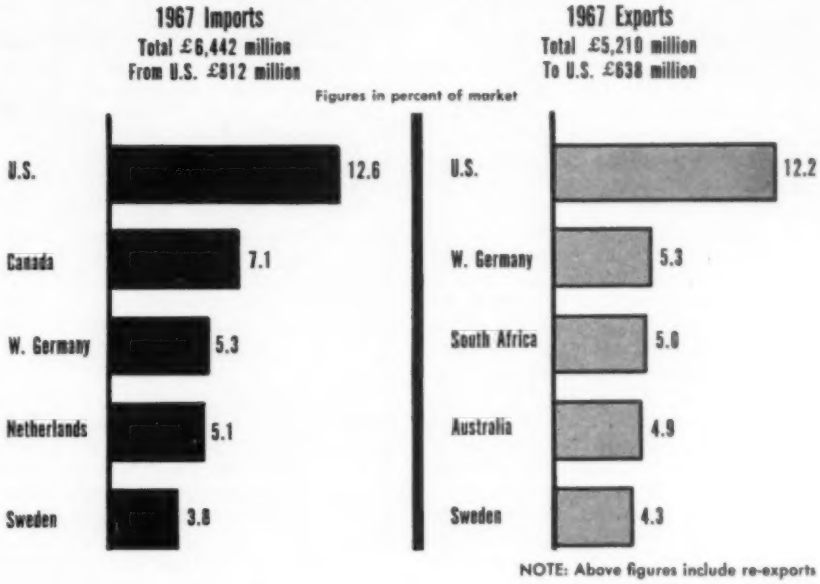
So far there is little hard evidence that production is recovering, but at least a picture of sorts can be pieced together from various announcements and trends. These, taken together with recent opinion and intention surveys, should give the most nearly accurate account of the present state of industrial production in Britain.

Recent statistics released by the Electronic Engineering Association showed that exports of computers almost doubled in the first nine months of 1967 compared to the corresponding period of 1966. Exports of electronic goods generally were up 21% over the comparable period last year. Total output of electronic capital goods rose by 15%.

The motor industry, which accounts for nearly 7% of industrial manufacturing in the U.K. and for about 12% of its visible exports, is now definitely in an optimistic mood. Because of its importance, more detail than usual will be included here.

End-of-the-year figures showed that 3% fewer cars were produced in 1967

U.S. is leading trade partner of U.K.



NOTE: Above figures include re-exports

than in 1966 and there was a corresponding drop of 12% for commercial vehicle production; exports were down 10% and 18%, respectively, for the year.

What is noteworthy, however, is the very marked increase—7%—in car production during the final quarter, with home market production up by 4%. This pre-devaluation boost in production is definitely related to the hire purchase relaxations of late August.

Only one post-devaluation figure is as yet available, but it corroborates the optimistic announcements the car manufacturers have been making since devaluation: for the month of December car production was up 2%, entirely due to a 9% rise in production for exports.

In the wide and diverse sector of engineering which accounts for one fifth of all export shipments, the picture is less clear. There is considerable optimism regarding the future and an increase in output is already being experienced in the light to medium sectors of engineering. The motor component suppliers are beginning to feel the upswing in car production and appliance makers are benefitting from the consumer spending revival.

However, on the heavy mechanical engineering side orders are still below current output rates and order books continue to shrink.

Empty order books

Just recently, Britain's chemical plant industry was reported facing a crisis of overcapacity and empty order books.

In machine tools export orders are accounting for an estimated 45% of current orders, but home market orders have fallen considerably. Increasing home sales are apparently being taken over by sharply rising imports, especially from Germany and Japan.

For some years now mechanical engineering imports have been increasing faster than exports. In 1954 the total value of these imports was 18% of the total value of exports, by 1964 the import ratio had risen to 39%, and for 1967 the ratio is estimated at 45%. Apparently there are certain gaps in British demand which are not being filled by Britain's domestic industry. Nevertheless, a quickening pace of output and exports is foreseen during 1968 by the industry as revealed in a post-devaluation survey by the National Institute of Economic and Social Research (NIESR). The NIESR found that the mechanical engineering industries expect a 22% jump in exports while the electrical engineering sector expected a 19% upsurge.

Steel output recovered during the final quarter of 1967—up 7% over the comparable quarter in 1966—although total production for the year was below that of 1966.

A record level of exports was achieved last year (over five million tons) although profits were probably cut to the bone because of the buyer's market in the international steel trade. Steel imports rose markedly but were still below the record of 1964.

Growth of output continued in the rapidly growing British chemical industry where increased capacity has slowed down the growth of imports. Chemical exports have been rising year by year and devaluation, according to the NIESR study, is expected to boost exports by 13%.

Textile output continued its upward trend, led by a boom in man-made fiber production which was already under way before devaluation. The synthetics sector seems to be in an especially advantageous position to exploit devaluation to the fullest.

Woolen and knitwear industries seem definitely to be on the upswing, but the well-known structural difficulties of the Lancashire cotton textile trade have now been compounded by higher cotton prices, not only due to devaluation but also due to shortages of U.S. and Egyptian cotton.

The British paper and board industry —the largest in Europe—performed well during 1967 with increased output and exports despite months of economic squeeze and rising imports resulting from free trade with EFTA and the end of import surcharge.

Paradoxically, however, devaluation has worsened rather than improved the industry's competitive situation, since the Scandinavians raised their pulp prices which had been at an all-time low by the full amount of devaluation but held their price increases on paper down to between 6 and 12%. Competition is keen and an obvious bid is being made by the Scandinavians for a larger share of the six-million-ton British paper and board market—the third largest in the world.

The demand for housing has remained strong; housing starts were higher again in November in both the private and public sectors after a drop in October. In terms of output construction continued its rise during the third quarter of 1967. Roughly half the total output is for public housing.

Unemployment is still rising. The total number of registered unemployed stood at 2.7% in January. It had been generally assumed last summer that the unemployment trend might hit its peak this spring and then improve rather rapidly later in the year. But the current figures are significantly lower than had been forecast for this winter. These figures are obviously being watched closely by the Government in its consideration of further measures to divert resources into exports.

Following the end of the incomes freeze and severe restraint last summer, wage rates have risen more rapidly than had been predicted: between June and November alone hourly wage rates in all industries increased 3.6%. This increase occurred during a period in which unemployment was well above normal and during which there was a "nil norm" for wage increases—no increases except for the lowest paid and those who can raise their productivity.

With the unemployment trend now expected to start falling in the near future and with the expected rise in the cost of living due to devaluation, pressures for wage increases continue to build up. Until the March 19 budget announcement, there was concern that the Government had not announced its intentions with respect to an incomes policy.

Retail prices rise

Retail prices have been steadily rising by nearly one whole point of the index per month, that is, from 118.8 in September to 121.2 in December. The rise for the year 1967, however, was still only about 2.5%.

Wholesale prices of manufactured goods held steady through November but edged up slightly in December. The first real impact of devaluation on prices became evident in the wholesale index for basic materials, which jumped five index points to 116.9 in December.

Consumer expenditure recovered last summer and was already picking up steadily by the time of devaluation. However, fed by a fear of higher prices and a tough budget ahead—as well as the usual seasonal factors— a great spending rush got under way in December and, from all appearances, spilled over into 1968.

Further copies of this Economic Trends Report are available from the Clearinghouse for Federal Scientific and Technical Information, U.S. Dept. of Commerce, Springfield, Va. 22151. Copies of the report, are priced at $1.50 apiece. Order DIB 68-02-095. For this and further data on the United Kingdom and other nations throughout the world, readers are also directed to any of the 42 Field Offices of the U.S. Department of Commerce, which are listed on page 35.

FRIENDLY CLIMATE FOR FOREIGN FIRMS in the U.K. was highlighted by this 100th anniversary celebration last October of the establishment of Singer Manufacturing Co. Ltd. in Clydebank, Scotland.

The index of the volume of retail sales which has been rising a point a month since September, reached a new peak of 114 in December. The increase in sales is wide-spread, but durable goods have done particularly well.

Retailers themselves reportedly doubt the staying power of the so-called "mini-boom" and the Board of Trade was keeping a week-by-week watch on consumer spending to keep it in perspective. The Government was apparently wary about restraining domestic demand too early before devaluation begins to affect the pattern of output.

Interestingly enough, there has been a relatively high level of cash sales during the spending spree. After moving upwards during the autumn, the hire purchase debt fell sharply by £13 million in December. The fall is certainly due to the new credit restrictions introduced at the time of devaluation. Nor has the spending spree been financed by an increased demand for overdrafts from private borrowers.

Even more mystifying, the National Savings figures show no unusual cash withdrawals. On the contrary, the net inflow in 1967 was better than in 1966 and a surplus of new savings was recorded in early January.

As one observer commented, there is "more cash lying around than is usually assumed."

Capital spending by British industry during the third quarter of 1967 fell even more sharply than originally estimated—6% below the second quarter. The decline was caused principally by a drop in manufacturing investment, whereas spending by the distributive and service industries remained unchanged.

There was, however, a marked fall in stockbuilding during the third quarter. This fall in stocks followed a period of little change since the end of 1966 and was spread fairly evenly among manufacturers, wholesalers and retailers.

The most recent investment intention survey conducted by the Board of Trade indicates that manufacturers expect to spend 5% more this year on capital projects than during 1967. This survey is significantly more optimistic than that of the preceding quarters, which indicated merely that investment in 1968 would be at about the 1967 level.

The survey was taken too soon after devaluation to reflect the full impact of devaluation on investment planning.

The upward trend in profits which began with companies reporting last September continued for companies reporting in January. A 5.1% rise in profits compared with the previous year was reported for these companies. The comparable figure for dividends is a 6.4% increase.

Britain's visible trade deficit of £561 million for 1967 is the worst recorded since 1951 and is well over double the 1966 deficit. Although Britain's trade balance was marked by unfavorable influences and distortions for the whole year, these were particularly concentrated in the fourth quarter when the visible deficit rose to £337 million, almost 50% more than the whole of 1966.

The fourth quarter figures revealed the consequences of the London and Liverpool dock strikes as well as six weeks of a sharp rise in the value of imports due to devaluation.

Lack meaningful trends

Even though it will still be difficult to find meaningful trends regarding exports and imports in the near future due to continuing distortions, two points are worth noting.

First, regarding exports, disappointing as the fourth quarter figures were, they did suggest that exports to North America and the EEC had stopped falling and might even be moving upwards. More specifically, the United States and Germany are Britain's two best export markets and Britain's exports to these areas suffered during 1967—following a promising start in the first quarter.

Second, regarding imports, in spite of what appeared to be an endless series of distortions throughout the year, it is still very clear that Britain's import trend has moved up strongly. Imports during 1967 rose to an average of £533 million a month compared to £496 million in 1966. By contrast, average monthly exports fell to £419 million a month from £421 million in 1966.

Moreover, nearly half the rise in the import bill is due to imports of machinery and capital goods, sectors in which British industry is generally assumed to have a strong position.

Commenting on this particular point, the *Guardian* in an editorial recently noted that the present value per ton of engineering imports into Britain exceeds the value per ton of exports by something like 70% and that there was a wide range of sophisticated products "more expensive than a car . . . but less expensive than an airplane engine" of which Britain is now a large net importer.

British policy makers hope that devaluation will remedy this situation by making imports less competitive than home produced goods and giving further scope to import substitution.

Market has new promise

U.S. sales may be good despite emphasis on import substitution, consumer restraint

By HAROLD E. HALL
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The intensification of Britain's efforts to improve its balance of payments position could lead in 1968 to a declining market for some types for foreign goods.

Factors expected to contribute to this situation include increased prices imposed on imports by Britain's devaluation of the pound, restraints placed by the Government on private consumption, and the increasing application of an import substitution program encouraged by "Buy British" sentiment which, while lacking major support, could become a deterrent to the sale of foreign products.

Despite these difficulties, the United States is expected to continue as Britain's major supplier in 1968, and Britain's merchandise imports from the United States could at least match the 1967 total. Furthermore, if sales efforts are strengthened and are concentrated in the more receptive fields, the United States could increase its share of the British market beyond the 12% and 12.6% level recorded in 1966 and 1967 respectively.

As uncertain as prospects may appear for 1968, few members of Britain's business community were despondent over the passing of 1967. As an overall trading year, 1967 is best forgotten. Preliminary estimates by the British Government place the 1967 merchandise trade gap at £1.4 billion, compared with £900 million in the previous year. These are "crude" figures reported in the Dec. 1967 issue of *Overseas Trade Accounts of the United Kingdom*. They are estimates and subject to revision, and will differ from the "refined" visible trade balance deficit, estimated at £561 million, the worst since 1951.

Other disappointments

It was also a year of disappointments in other ways. A Board of Trade survey of the gross trading profits of 307 British companies reported a 9% decline in 1967 compared with the previous year, with companies engaged in manufacturing recording a 14% drop. Hopes for an expansion of commercial relations with Continental countries faded, at least temporarily, as France vetoed negotiations for Britain's entrance into the Common Market.

Furthermore, the Government's attempt to maintain the parity of the pound at $2.80 was discarded, and on Nov. 18 sterling was devalued to $2.40.

The immediate effect of this devaluation was to buy time, in much the same manner as the 1964-66 import surcharge and the borrowings of funds from the International Monetary Fund and central banks gained time for Britain's hard-pressed economy.

On the trade scene, devaluation encourages exports and discourages imports. The 14.3% devaluation has already resulted in higher prices for American products imported into Britain. Taking into consideration other factors affected by devaluation, such as duty and insurance, the level of such increases conceivably is around 16-17%. Many American producers and exporters are expected to hold price increases below this level to retain their competitive positions with British-produced items.

On Jan. 16 the British Government announced additional measures designed to implement devaluation. It proposed to free up to £850 million in resources from public consumption to ensure that the additional export and investment efforts demanded by devaluation could be met. Further measures were expected to be announced in the Budget on Mar. 19, after this report was written.

In view of these factors, it is important for American producers and exporters to appraise closely the selling capabilities of their products in the British market. Many capital goods will continue to find receptive buyers, but consumer goods less so.

The primary areas in which British demand for American products is expected to remain strong are machinery, electronic instruments and components, and industrial process controls. These items are needed to help modernize Britain's industry and make it more competitive with overseas industry.

The sale of American citrus fruits and juices to Britain could be sharply hit by increased competition from Spain and Israel, both of which devalued their own currencies at the time of the British devaluation and thereby gained a price advantage over American citrus products in the British market.

Retains fruit restrictions

The British Government is also expected to continue throughout 1968 its quantitative restrictions on imports of most canned and fresh fruit and juices imported from non-Commonwealth sources.

The primary purpose of the November devaluation was to help British companies sell more overseas. Because Britain will have to sell more simply to get the same amount of foreign exchange as before, it is not enough merely to record an increase in export volume. Exports will have to rise substantially if devaluation is to be a success, but it is quite likely that a sustained advance will not be achieved until the closing months of 1968.

The United States continues to be a key target in Britain's export plans. As the principal buyer of Britain's exportable output, the United States over the past few years has been taking about 12% of Britain's total exports. In 1967 this amounted to £613 million, a slight re-

Can't be precise

The Nov. 18 devaluation of the British pound has made it impossible to convert the U.K.'s full-year trade figures, such as the £1.4 billion trade gap referred to at left, into their exact equivalents in U.S. dollars. For that reason, all currency figures which cover the entire year 1967 have been retained in pounds throughout this series of articles, rather than converting them into their more recognizable dollar equivalents for U.S. businessmen. The rate of exchange before devaluation was $2.80 per pound; the new rate is $2.40 per pound.

COMMERCIAL COUNSELOR HAROLD HALL, author of this article, talks shop with U.K. businessman.

duction from the 1966 total of £626 million. The British Government is expected to increase its efforts to end this slowdown, and machinery, transport equipment, and Scotch whisky again are expected to lead British sales on the American market in 1968.

The extent to which such sales may be increased because of devaluation is unknown. Devaluation offers the opportunity of price reductions on British products, but individual companies are expected to use this benefit in different ways. In the more affluent export markets such as the United States, factors such as advertising, packaging, and product design may be more influential than price itself in increasing demand. To date, such export price cuts as have been made since devaluation are in a 6% range.

The curb on capital outflows from the United States, announced by President Johnson on Jan. 1, is expected to diminish annual direct private American investment in the United Kingdom, which now totals approximately $6 billion.

By Executive Order and regulations issued under the Banking Laws, U.S. companies wishing to make new capital transfers to the United Kingdom are restricted to 65% of the average of their capital outflow plus reinvested earnings in 1965 and 1966.

This, together with the repatriation rule requiring direct investors to repatriate the same share of total earnings as they repatriated in 1964-66, could bring about substantial changes in the investment programs of the longer-established United States companies in Britain, particularly those that in the past have financed new capital investment and expansion out of retained earnings.

The larger American companies operating in the United Kingdom are expected to renew their efforts to obtain funds from non-U.S. sources.

Many of the smaller American companies that recently established plants in Scotland, Northern Ireland, and Wales also face difficulties, inasmuch as they have no base year for computing future investment. Some of these requiring limited new investment may be helped by the exception that the new regulations do not apply to direct investments of less than $100,000 in any year.

It is somewhat paradoxical that those members of the British Labor Party who, in the past, have called on their own Government to restrict the "over-penetration of the British economic scene by the American dollar" may find their answer in the U.S. Government's Jan. 1 directives. This "penetration" has been described as over or near the 50% mark in semi-conductors, carbon black, automobiles, computers, and tractors and agricultural equipment.

The United Kingdom will also be watching the implementation of the President's decision to reduce American spending on overseas travel by $500 million. Over the past few years, the United Kingdom annually has gained around $160 million from American tourist expenditures, or 26% of its annual tourist intake.

British regulations governing overseas-investment and tourism are substantially parallel in policy, although somewhat different in application, with those now being applied or proposed by the United States. The British Government's restrictions on investment in the United States appear to have been successful in reducing the annual level of such investment substantially.

The only relaxation of rules governing direct private investment overseas are the new measures introduced by the British Treasury on Jan. 30, whereby the Government is prepared to permit investment transfers, at the official exchange rate, of £50,000 or 50% of the total investment (whichever is greater), for investment projects outside the sterling area which are directly concerned with promoting sales of British goods and services.

The United Kingdom in 1967 had a limit of £50 on the amount of sterling that could be taken outside the country by British travelers going to the United States or the other non-sterling countries, and this is to be continued in 1968. However, in 1967 the number of British visitors going to the United States for business and pleasure purposes rose to 231,000, compared with 197,000 in 1966.

If the British Government's economic program proceeds as planned, industrial activity in Britain should increase and company profits should rise in 1968, particularly for those companies having a significant proportion of overseas sales. The automobile, chemical, electrical engineering, and mechanical engineering industries should benefit the most, and American companies established in the United Kingdom and doing business in these categories could lead the way.

Productive investment should increase in 1968, and manufacturers already have reported they expect to spend 5% more on capital projects in 1968 than they did in 1967. The move towards mergers is also expected to gain momentum as British industry shapes itself into larger units.

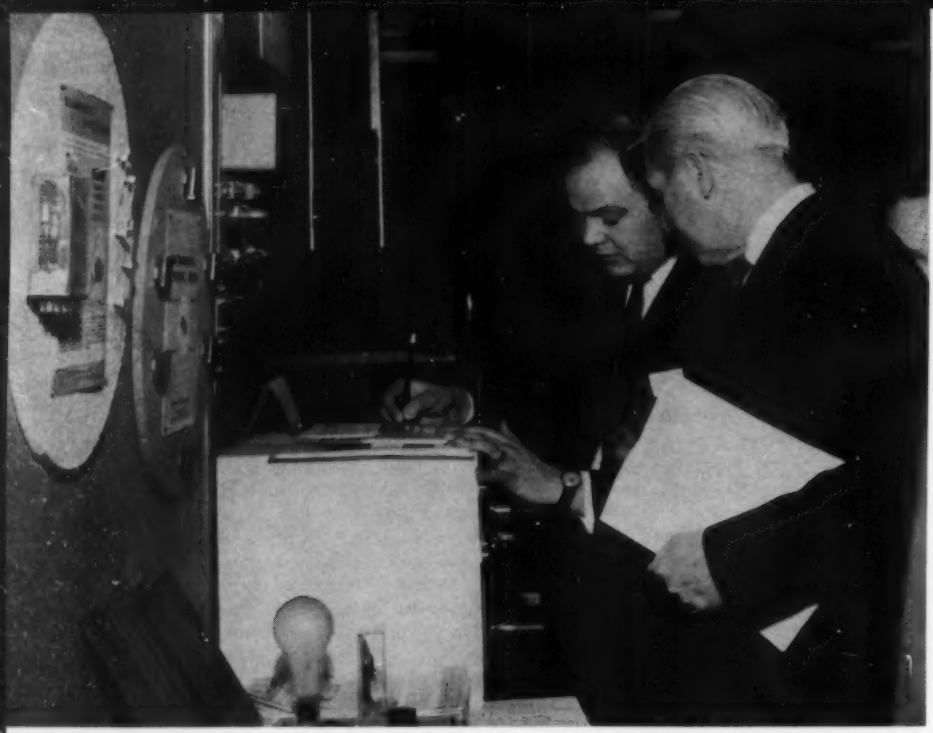
On the international front, the British Government is confronted with the vital necessity of avoiding any further pressure on the pound and, consequently, it will extend its efforts to achieve greater earnings from exports. There has been no period in the last hundred years when Britain has recorded an annual visible trade surplus, but nevertheless every effort will be made to push exports and hold down imports.

Government has flexibility

The British Government has flexibility in this area, based on a possible reintroduction of the Export Rebate Plan. This Plan, which is due to expire on Mar. 31, relieves export goods from the burden of certain indirect taxes which enter into the production costs of exported goods. There is a tendency to regard the Plan as a useful weapon to keep in reserve if the advantages to exports from devaluation disappear too quickly.

On the import side, the obvious desire of the British Government to effect savings in imports has encouraged the growth of a "Back Britain" program that has the beginnings of a "Buy British" movement. Some members of Parliament and representatives of the British business community have openly supported this program. The most effective counteracting forces are the British Government and the Confederation of British Industry, both of which are fully aware of possible repercussions to a "Buy British" program.

While the "Buy British" attitude currently is not very effectual, it could develop, and some foreign companies already have sought to counteract this feeling by advertisements in the British press emphasizing the number of British-made components in their products exported to the United Kingdom.



U.S. SHARE OF U.K.'S ELECTRONIC MARKET continues to rise. Here, Robert Carless of Claude Lyons, Ltd. takes an order at a 1967 electrical control equipment show in the U.S. Trade Center in London.

Trend to mergers, increasing U.S. share of market are top features of U.K. electronics industry

Some exporters say devaluation's gains have been offset already; U.S. firms now control between 50-80% of electronic output

By PAUL BRUMBY
Asst. Commercial Attache
U.S. Embassy, London

The four most important developments of 1967 for the British electronics industry were:

A vintage year for mergers and takeover bids among British electronic and electrical firms, as well as the joining of forces among some American-British companies;

An increase in the American share of the electronics market, as, for example, in the important micro-circuitry phase of the market;

The Government's decision to devalue the pound sterling on Nov. 18;

The Government's year-end cutback on public spending, particularly for the defense forces and their military equipment.

Devaluation may give some exporters a net price advantage of 5-6%; however, other exporters see no advantage because of the rise in corporation tax, an end to exporters' tax rebates and a boost in bank rate to an all-time high of 8%.

Other unfavorable factors from the standpoint of the United Kingdom electrical/electronics manufacturer include possible cancellation of the 'offset' agreement following cancellation of the United Kingdom order from the United States for 50 F-111 K's; expected cutbacks in plans for increased television facilities and coverage; and probable cuts in the General Post Office plans for increased facilities and services.

In consumer-electronics, radio sales offset the expected drop in the black and white TV market and 1967 turned out to be as good generally as the year 1966. Color TV finally came to the United Kingdom in the fall of 1967. In the important integrated circuit market, it is estimated that as much as three-quarters of the market is held by U.S.-controlled companies.

It is generally accepted that British manufacturers will not really even begin to feel the effects of devaluation until about mid-1968. A price reduction equal to the full amount of devaluation, 14.3%, is open to very few, if any, manufacturers because of increased sterling costs of raw materials and components imported into the United Kingdom—16.7% actually.

Thus in the electronics industry, the effects of devaluation will be on a highly selective basis.

Varying degrees

A Ministry of Technology spokesman believes components will be affected in varying degrees. On balance he feels there should be some gain to U.K. equipment manufacturers who depend on foreign suppliers. For example, integrated circuit makers may look more to British sources of supply.

One United Kingdom importer estimates that British electronic equipment contains an average of 5-6% of imported components and the price of these imported items may rise 17-23% when present stocks are exhausted.

Some U.K. firms are increasing their prices immediately, while others have indicated their intention to maintain pre-devaluation domestic prices and accrue increased profits chiefly from export sales. The actual cost advantage in export trade is about 5-7% in electronics because of offsets such as the cancellation of export rebates, Selective Employment Tax credits, increased Corporation Tax and higher rates being paid for bank overdrafts.

Decisions delayed

Manufacturers were also inclined to delay any firm price decision until after the expected release of "tough budget" on Mar. 19. It seems agreed that the full impact of devaluation cannot be gauged for several months. Until there is good evidence of the Government's economic health, it can be expected to hold down consumer spending and strive to make British manufacturers more efficient.

The Government's decision on Jan. 16 to make deep cuts in public spending will affect the capital goods industries,

including electronics. The Prime Minister announced planned savings of £766 million in two years with defense being severely affected.

Official measures designed to cut back expenditure in the public sector are being pressed on several fronts, and are expected to have a substantial effect on the electronics and telecommunications industries during 1968. Reductions in expenditures to definite figures are being urged on a number of corporations, apart from the announced defense cutbacks which may fall heavily on research and development fields, again including electronics.

An outstanding development during the period under review was the number and importance to the British economy of mergers and takeovers in the field of electrical and electronic equipment.

There are other mergers, each involving millions of pounds, and under the pressure of limited markets, further rationalization by process of particular companies dropping out of some form of manufacture. Some sectors of industry seem ripe for similar action, spurred on by the Industrial Reorganization Corporation.

While no exact figures on the American portion of micro-circuitry market are available, there is general agreement that the United States share increased during 1967 and now amounts to somewhere between 50% and 80% of total production in the United Kingdom. Several who follow micro-circuitry production closely believe the U.S. share is 70%-80% of the total market.

The British feel that despite British increases in production there is danger of being swamped by output of American subsidiaries in Britain, which benefit from high spending on research by United States corporations.

Unanswered question

The question remains unanswered as to how the British Government can help the micro-electronics industry. The imposition of restrictions against direct imports has been discussed but it was pointed out that this would not be effective because large U.S. subsidiaries tend to import their latest know-how, which British critics seem to agree is well in front of their own technology.

The growth of public expenditure to 1970 and beyond will be greatly reduced by the follow-up of cuts announced by the Prime Minister on Jan. 16. Uncertainties exist on the side of management and labor. For the short term a slow down in plant expansion and research and development can be expected.

The British forecasters are reluctant to make any hard forecasts before the full impact of devaluation is felt, which is not expected before the last half of this year. An exception to the above is the *Electronics* magazine, which pegs the 1968 electronics market at $1.15 billion, some $80 million ahead of the magazine's estimated total for 1967.

More positive factors

Other more positive factors begin to emerge for 1968. For example, a further step up in the tempo for mergers, particularly in the electronics industry.

The tempo of the government's drive to increase productivity is expected to be stepped up in 1968.

In the important avionics market, British manufacturers are trying at least to hold their position. Forecasts for navigational equipment for 1968 seem to run at about $100 million.

Forecasts for communications equipment manufacturers, including radar navigational sets seem to run at about $310 million for 1968, which is only about 3% above the 1967 figure.

There is considerably increased interest in the United Kingdom in oceanography, and we foresee a step-up in the market potential for the many electronic devices associated with the oceanographic equipment field.

Large scale integrated circuits (LSI), which are referred to here as a fourth generation of circuitry, seem to be a year or so away. Marconi and Mullard (Philips) are reportedly doing some work in the field, but reports in the United Kingdom are that United States firms are ahead and have invested an estimated $50 million in research and development. Many of these American firms, of course, are already very well represented in the United Kingdom.

DESPITE UNCERTAINTIES, there are many positive factors which point to an upturn in the U.K.'s electronics industry. Here prospective buyers look over American equipment at another Trade Center show.

U.K. economic slowdown hasn't hurt business machine industry; change to decimals due in 1971

British-owned companies dominate computer market; retention of half-penny causes big headaches for manufacturers

By JOHN H. MOORE
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Two successive years of extremely slight gains in the growth of the economy have had less impact on Britain's computer industry than might have been expected.

The new generation of systems introduced in 1964 led to a rapid growth in the industry which still continues. Also, because computers are tools designed to increase managerial control and efficiency, they are less vulnerable to downturns in economic activity than many other products of other industries.

Although generally prosperous, the computer industry is not at the same time placid. Much is happening within the industry as British firms merge into ever-fewer and ever-larger groups and American firms do their sums to evaluate the effects of devaluation and their chances to capture their shares of a rapidly expanding market.

Production of conventional business machines has continued this year at a high level although there has been little if any growth in the industry and perhaps a slight decline. Competition has increased and profit margins are down.

The details surrounding the decimalization issue are now settled and the industry is preparing for the massive task of converting existing machines to the new system which will become mandatory on Feb. 15, 1971.

Hottest rumor

The hottest and most persistent rumor of 1967 within the British computer industry was the impending merger between International Computers and Tabulators (ICT) and English Electric (EE). As matters turned out, this was the non-event of the year. Negotiations continue, however, and an announcement of the merger —possibly a three-way merger including Plessey—is widely predicted as forthcoming within a few weeks.

The Ministry of Technology has a dream captioned "The British Computer Corporation". This, if the merger plans work out, will be a single, wholly-British computer company capable (it is fondly hoped) of competing on equal terms with the giant American computer companies across the whole range of electronic data processing machines with their associated software.

Britain is at present the only country outside the United States with a viable, independent computer industry producing a wide range of EDP machines. Amalgamating ICT and EE to produce the British Computer Corporation will have the result of forming the world's fourth-largest computer company.

Computer sales healthy

Does the British computer industry have a future as a wholly-British entity? As of 1968, the answer must be a decisive yes. The dominant company, ICT, is selling its No. 1900 series machines at a fast clip and EE claims to have licked most of its production problems with its System 4 range. Merged into one company, the expertise and resources of the new corporation should guarantee its success—provided its commercial acumen matches its scientific resources.

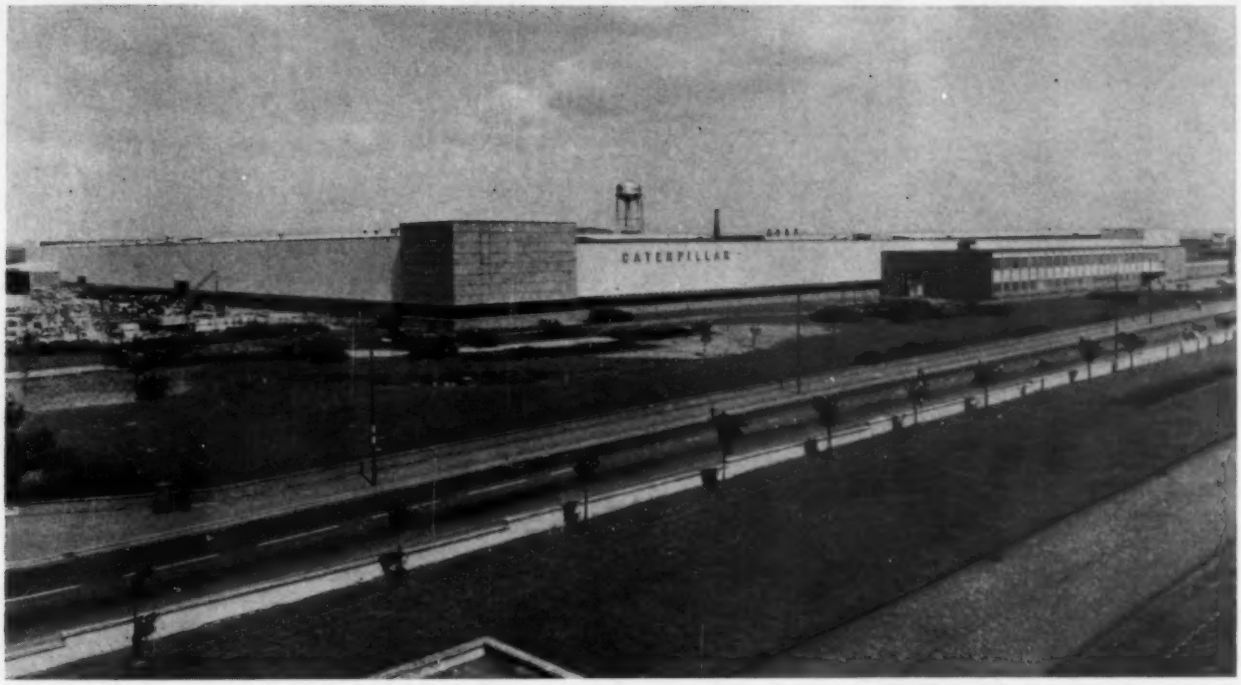
A recent estimate which is reportedly being aired about by computer firms' market researchers envisions the value of computer deliveries soaring by a fantastic 35% a year from an expected £125 million in 1968 to £450 million in 1972 —at 1967 prices. The Ministry of Technology is even more optimistic and predicts deliveries in 1972 at the value of £600 million.

It is an open secret that the British Government exercises a gentle but nonetheless effective "Buy British" influence, as far as computers are concerned, over certain sectors of the economy such as the nationalized industries, local government and the armed forces.

No heavy-handed policy

This policy is by no means a heavy-handed insistence on British computers first, last and always. Rather, it is a policy that stems from a belief in the importance to Britain of strengthening its economy through the foreign exchange savings that can be realized by preserving an all-British domestic computer industry and also, more importantly, in insuring that Brit-

MARKET FOR U.S. PRODUCTS is still good in the United Kingdom. Shows at the U.S. Trade Center in London sell items from electronic equipment to the packaging machinery shown at a 1967 exhibit.



MANY U.S. SUBSIDIARIES ARE PRESENT IN THE U.K., in the business machine and other industries. This Caterpillar plant is in Lanarkshire, Scotland.

ain does not get bypassed in the commercial, scientific and industrial computer revolution that is already under way.

It is a policy aimed at protecting and encouraging the British computer industry to the maximum extent possible without at the same time freezing out those foreign (American) companies whose technology is also important to Britain's future.

Decimal talk dominates

Decimalization continues to be "Topic A" in the British business machine industry. It is now firmly settled that the basic unit of currency will be the pound rather than ten shillings. To the disgruntlement of many, the ha'penny will not be discarded. The effect of this will be shown in Britain's carrying figures three places to the right of "that damned dot" rather than the two places to the right of the decimal point as is done by most other nations.

Had the ha'penny been dropped, British office machinery manufacturers could sell what are now their export models in both home and overseas markets. Instead, they must continue to maintain a separate range of models for the U.K. market. The new machines will be pushed strongly by their manufacturers, but most users will be seeking to convert their present machines if those machines have any appreciable life expectancy.

The Halsbury Report that recommended decimalization stated the normal life of a cash register is 15 years; adding machines 12 years; accounting machines and punched card equipment 10 years; and calculating and franking machines, checkwriters and computing scales 12 years.

It is estimated there are about 2 million machines with a sterling and/or decimal capacity or application in use at present in the United Kingdom. These include 608,000 cash registers, 699,000 adding machines, 110,000 accounting machines, 73,000 calculating machines and 81,000 franking machines. But many of the adding and calculating machines will not require adaptation.

Conversion costs

In attempting to assess conversion costs in the event of a 1968 changeover, the Halsbury Report reckoned that about 68% of the cash register population with future life ahead would be eligible for conversion, 80% of adding machines, 93% of accounting machines, 100% of punched card equipment, 95% of franking machines, 80% of checkwriters, and 95% of price computing scales. The fact that D-Day (decimalization day) comes not in 1968 but on Feb. 15, 1971, means that most of the conversion work will be crowded into the closing months of 1970 and the early months of 1971.

There is no British-owned typewriter industry. Such manufacture as exists in Britain is in the hands of American and Italian companies. A constant complaint among the manufacturers of typewriters in Britain is that the idea of planned obsolescence has not hit consumers at the office typewriter level. With periodic maintenance, of course, the lifetime of a typewriter is virtually indefinite and most owners seem determined to prove this. Moreover, those who do not now own typewriters do not appear anxious to buy them.

The major American typewriter companies are all represented in Britain and manufacture here. Their competition is formidable. Typewriters imported into Britain from Europe and Japan have captured about two-thirds of the British market. Germany sells most in Britain, followed by Italy and Japan.

Typewriters set pace

The most booming sector of the British typewriter industry is the electrics, although the domestic industry still has a long way to go before it catches up to the production and export figures of the early 1960's. In 1966, counting imports and domestic production together, the sales of electrics in the United Kingdom rose by 33% and reduced the electric-manual ratio to nearly one in two, from one in six in 1962.

AMERICAN FOOD SECTION is drawing crowds of shoppers to the food area of Harrods store in downtown London (above), while the Gemini 10 space capsule (below left) displayed in the central exhibition hall has children and adults alike lined up from opening to closing each day during the sale.

VISITING GEMINI CAPSULE on opening day were (below, left to right) Mrs. David K. E. Bruce, U.S. Ambassador Bruce, a store official, and U.S. Economic-Commercial Minister Stanley Cleveland.

London department store promotes U.S., British consumer products

Items traded by two nations in America Weeks display at Harrods; Gemini 10, Indian troupe, Williamsburg setting draw customers

"The Best of Both Worlds" was the theme in London as Harrods Stores kicked off an America Weeks sales promotion of U.S.-made goods on Feb. 27. Side-by-side with the $700,000 worth of U.S. consumer products on display was a huge collection of British goods which enjoy excellent sales on this side of the Atlantic.

Customers have swarmed to the downtown London Harrods store for the sale during what is considered the slow season for British retail trade. The America Weeks promotion continues through Apr. 13.

In window displays, Harrods is paying tribute to 33 "sister stores" in the United States among the many which have held British promotions during the past two years.

A Harrods official said the show is "a reciprocal presentation in return for the many British export promotions held in America. The United States is Britain's largest export market and accounted for 12.5% of all British exports in 1966. There were 158 British promotions in the United States in 1967, and a total of 533 major promotions during the past ten years.

In its newspaper advertising campaign for the sale, Harrods pointed to the dual purpose of the exhibition—to stimulate British interest in U.S. products and to promote U.S. purchases of United Kingdom goods.

Reciprocating the Harrods advertising, R. H. Macy & Co., the large New York department store, ran a "Salute to Harrods" ad in February, praising the British promotion and pointing out the fact that Macy's has had a buying office in London for many years.

Throughout the Harrods store are displayed the promotion's official symbols, the American eagle and the British lion in gilt metal.

Although Harrods has carried American merchandise in its regular product lines for many years, purchases for this sale were broadened to include many new-to-Harrods products, as well as a

number of new suppliers of traditional lines.

In preparation for the promotion, Harrods sent some 30 buyers to the United States last year to comb markets for the most attractive American merchandise. Agreements were completed and the buyers had returned to England when the devaluation of the British pound cast doubt on whether the sale would be held at all.

Harrods immediately contacted all the U.S. suppliers and told them, "The show will go on," with all payments to be made to suppliers in dollars as originally contracted.

Special attractions

Special exhibits forming the backdrop for the American consumer goods include a Gemini space capsule loaned for the store exhibit by the Smithsonian Institution's National Air and Space Museum and a special section on Colonial Williamsburg, with costumes, maps, and engravings loaned by the Williamsburg restoration association. Featured in the Williamsburg area are several animated store window displays of colonial life in miniature supplied by Woodward & Lothrop department stores in Washington, D.C.

Other exhibits of Americana include a George Washington memorabilia exhibit from the George Washington Masonic National Memorial in Alexandria, Virginia.

Popular act repeated

The seven-member American Indian troupe which has proved popular at other America Weeks promotions will perform regular Indian dances and craft demonstrations during the sale, led by Chief Wolfrobe Hunt.

The U.S. Department of Agriculture has cooperated in the Harrods sale by making available a replica of a "Prairie schooner" covered wagon, supplying demonstrators in the food department, and coordinating the participation of several U.S. commodity groups.

The Bank of America is maintaining a display in Harrods' Banking Hall to assist persons interested in buying or selling throughout the world, or planning to enter the international field for the first time, and a leading U.S. cosmetic firm has a stand at which customers receive a complimentary "California Girl" or "New York Woman" make-up treatment especially created for the promotion.

A full report on the Harrods America Weeks sales promotion will be carried in INTERNATIONAL COMMERCE following the April finale.

COLONIAL WILLIAMSBURG setting in Central Hall of Harrods store brought out London shoppers to see life as it was in former British colonies. A salesgirl in period costume shows off antiques (below).

GILT AMERICAN EAGLE SYMBOL perches over latest U.S. clothing styles for teenagers in the young people's department. Eagle and British lion are being used as decoration throughout the store.

Communique outlines gold pool action; Treasury rules amended

Texts of two actions issued following March 16-17 Washington conference aimed at restoring stability to world exchanges

Agreement on a new policy for sales of gold, reached by the United States and six other member nations of the international gold pool, is stated in the following communique, read at the conclusion of their meeting in Washington by Federal Reserve Board Chairman William McChesney Martin, Jr.:

The Governors of the Central Banks of Belgium, Germany, Italy, the Netherlands, Switzerland, the United Kingdom, and the United States met in Washington on March 16 and 17 to examine operations of the gold pool, to which they are active contributors. The Managing Director of the International Monetary Fund and the General Manager of the Bank for International Settlements also attended the meeting.

The Governors noted that it is the determined policy of the United States Government to defend the value of the dollar through appropriate fiscal and monetary measures and that substantial improvement of the U.S. balance of payments is a high priority objective.

They also noted that legislation approved by Congress makes the whole of the gold stock of the nation available for defending the value of the dollar.

They noted that the U.S. Government will continue to buy and sell gold at the existing price of $35 an ounce in transactions with monetary authorities. The Governors support this policy, and believe it contributes to the maintenance of exchange stability.

The Governors noted the determination of the U.K. authorities to do all that is necessary to eliminate the deficit in the U.K. balance of payments as soon as possible and to move to a position of large and sustained surplus.

Finally, they noted that the Governments of most European countries intend to pursue monetary and fiscal policies that encourage domestic expansion consistent with economic stability, avoid as far as possible increases in interest rates or a tightening of money markets, and thus contribute to conditions that will help all countries move toward payments equilibrium.

The Governors agreed to cooperate fully to maintain the existing parities as well as orderly conditions in their exchange markets in accordance with their obligations under the Articles of Agreement of the International Monetary Fund. The Governors believe that henceforth officially-held gold should be used only to effect transfers among monetary authorities and, therefore, they decided no longer to supply gold to the London gold market or any other gold market. Moreover, as the existing stock of monetary gold is sufficient in view of the prospective establishment of the facility for Special Drawing Rights, they no longer feel it necessary to buy gold from the market. Finally, they agreed that henceforth they will not sell gold to monetary authorities to replace gold sold in private markets.

The Governors agreed to cooperate even more closely than in the past to minimize flow of funds contributing to instability in the exchange markets, and to offset as necessary any such flows that may arise.

In view of the importance of the pound sterling in the international monetary system, the Governors have agreed to provide further facilities which will bring the total of credits immediately available to the U.K. authorities (including the IMF standby) to $4 billion.

The Governors invite the cooperation of other central banks in the policies set forth above.

A statement released by the U.S. Treasury Department amended the Department's Gold Regulations. It follows:

Pursuant to agreements announced by the central banks of Belgium, Germany, Italy, the Netherlands, Switzerland, the United Kingdom, and the United States in Washington on March 17, the Treasury Department has issued amendments of the Treasury Gold Regulations, effective immediately.

The Treasury will no longer purchase gold in the private market nor will it sell gold for industrial, professional or artistic uses. The private holding of gold in the United States or by U.S. citizens and companies abroad continues to be prohibited except pursuant to existing regulations.

The Gold Regulations have been amended to permit domestic producers to sell and export freely to foreign buyers as well as to authorized domestic users. Authorized domestic users regularly engaged in an industry, profession or art in which gold is required may continue to import gold or to purchase gold from domestic producers within the limits of their licenses or authorizations in the Gold Regulations.

Pennsylvania plans April seminar on Far East trade

The Second Annual International Trade Seminar sponsored by the Commonwealth of Pennsylvania is scheduled for April 9 and 10 in Harrisburg. The seminar, to be held at the Penn Harris Hotel, will emphasize trade with the Far East, and include speeches by Ambassador of Japan Takaso Shimoda and Kenneth Gott, editor of *Business International*, among others.

The individual seminars will feature discussions of trade opportunities in Korea, Japan, Australia and the Republic of China. A visiting national will describe business opportunities, and U.S. businessmen will report on their experiences. A question and answer period will cap each session.

Governor Raymond P. Shafer founded the Pennsylvania Export Corps in May of 1967 to promote international trade. He invited the state's 57 "E" award winners to become charter members and work to increase their own exports and encourage others to begin exporting.

Governor Shafer has stated that "the success of our First International Trade Seminar and our First Pennsylvania Trade Mission to Europe has encouraged me to supplement our international trade program for 1968. This year we will emphasize the Far East. The April Seminar will provide a thorough and frank discussion of Trade opportunities in Australia, Free China, Korea and Japan."

For further information, **write:** John T. Acton, Director of International Trade and Port Development, Department of Commerce, Harrisburg, Pa. 17120.

Swedish picture changing

Industrial rationalization challenges U.S. exporters to increase 9.3% import market share

By WILLIAM B. HARBIN
and GEORGE A. WESTERLUND
Commercial Staff
U.S. Embassy, Stockholm

The current structural rationalization of Swedish industry via mergers, the creation of larger production units, special attention to export industries, and emphasis on labor-saving devices, offers excellent opportunities to U.S. suppliers. A variety of new Governmental measures has been taken to stimulate investment and to increase public expenditures, such as hospitals and housing. The United States is maintaining its share of the Swedish import market, but American exporters should keep informed on measures taken during this restructuring period.

The United States is still holding its own in the Swedish import market despite the important changes now taking place in the pattern of Sweden's international trade. The United States retained in 1967 its 9.3% share of the total import market while EFTA countries increased their share from 34% in 1966 to 35.2%. The share of EEC countries continued to decline, from 36% in 1966 to 35.2%.

West Germany is still Sweden's major trading partner but the United Kingdom bypassed it last year as the largest market for Swedish exports. The United States remained in third place in overall trade. With total exports increasing by 6% and imports by only 3%, Sweden's 1967 trade gap was only $174.5 million compared with $406 million in 1965 and $315 million in 1966.

That the United States is maintaining as large a share of the Swedish market as it is is due in part to the initiative of Swedish businessmen, who are well attuned to the international market (20% of Sweden's GNP is exported).

Swedish visitors to the United States increased by 25% in 1967, to 26,000. Keeping up-to-date with technological developments is not just a pastime but a matter of survival for businessmen in Sweden's export-oriented economy. English is their second language and the latest American trade journals are staples of their reading diet.

Imports from the United States increased sharply at the end of 1967 to 12% of total imports for the month of December. Prospects for 1968 may be bright for American exporters who keep informed about important changes now taking place in the structure of Swedish industry and who are quick to take advantage of them.

State of the economy

Sweden's strong and vigorous economy has given its citizens one of the highest standards of living in the world. In recent months, however, there has been a business slowdown. Industrial production is leveling off at a fairly high level, and the rate of private investment is not increasing. The continued weakness in the important West German market, and the recent round of devaluations by such major trading partners as Great Britain, Denmark, and Finland have added to the uncertain economic outlook. Unemployment, while low by most standards, is the highest (2.5% of insured workers) it has been in Sweden during the 1960's.

The Swedish Government, facing this fall its strongest election challenge in decades from the opposition bourgeois parties, is taking vigorous measures in the economic field in order to stimulate exports and curb unemployment.

The Government released in December 1967 a substantial amount of private investment funds for the purchase of plant machinery and also proposed to exempt such purchases completely from the 11% general sales tax during 1968. A proposed value-added tax will become effective Jan. 1, 1969 to replace the general sales tax; this change is expected to encourage investment in plant machinery and place labor-intensive industries in a relatively unfavorable position. The latter will also be penalized by a new 1% payroll tax, which is bound to increase the purchase of labor-saving machinery generally.

Three new Government institutions have been created or proposed to restructure Swedish industry and keep it competitive on the world market. A Government Investment Bank was created in 1967 with a capital of $100 million (to be increased by $40 million according to the budget proposal for FY 1968-1969) to provide loans to export-oriented industries, particularly to firms that demonstrate they are determined to increase efficiency and to adjust their operations to the present-day needs for structural change and development. Industries expected to benefit from this Bank include forestry and engineering, particularly shipbuilding. The first major loan announced by the bank was $3.6 million for a joint venture with a U.S. firm.

Expected to be established this year is a Government Board for Technical Development aimed at narrowing the technology gap by creating a partnership between Government research institutes, universities, and industry. Finally, a Government Development Company is proposed to find opportunities to commercially exploit technical ideas supported by the Board and sponsored by the Bank. The Company is expected to be established on July 1 with an initial capital of $5 million. It would concentrate on such socially desirable projects as anti-pollution, traffic safety, promoting advances in medical technology, instructional aids, and others.

Other Governmental pump-priming measures include a 40% increase (to $355 million) of appropriations in FY 1968-69 for the labor market and regional development program to help depressed areas and to soak up unemployment. National Government funds were made available to municipalities for public works projects with the result that hospital and public housing construction has boomed in recent months. By slapping a 25% surcharge on non-priority construction, the Government has cut sharply the building of shopping centers and other retail outlets, gasoline stations, cinemas, and branch banks. To encourage investment, the Government reduced in February the bank discount rate to 5½%. The all-time high of 6% had been imposed temporarily in December to protect

the Swedish kronor on the international market following Britain's devaluation.

There is some uncertainty about the economic outlook in Sweden because the effects of recent devaluations by major trading partners and the effects of the strong Governmental measures outlined above have not yet been felt and, most important in this export-oriented nation, there seems no indication as yet of a general European rally.

Sweden's GNP increased by 3.3% in 1967, short of the 4% official prediction. This same moderate growth is expected during the first half of 1968, with no substantial improvement in the rate of industrial growth or consumer demand until later in the year.

It must be kept in mind that production trends are not uniform in industry with several fields displaying continued vigor and favorable order intake. This is particularly true in engineering, especially autos (due in large part to exports, particularly to the United States) and shipbuilding.

Such internationally-affected industries as forestry and textiles will continue their efforts to remain competitive via mergers and the purchase of cost-reducing, labor-saving plant machinery, geared to larger production units.

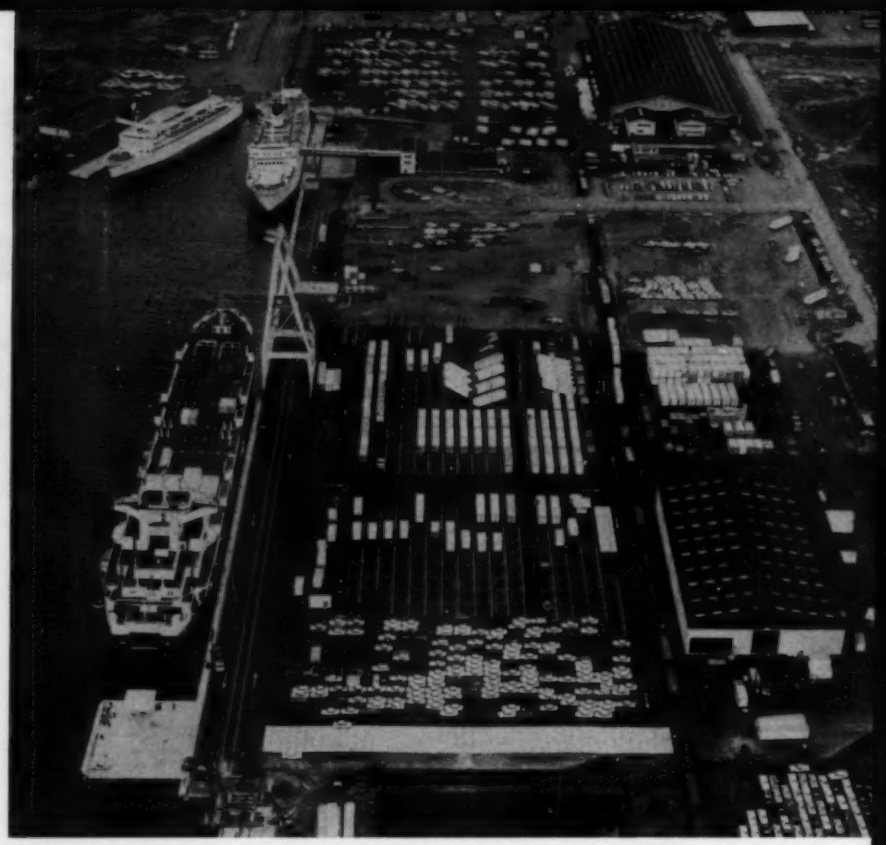
With rising unemployment public pressure will grow to keep to a minimum the number of firms moving abroad, for example textile companies to EFTA-member Portugal, in search of cheap labor or tax benefits.

Although demand for consumer goods is likely to be somewhat dampened during most of 1968, there is general agreement in industry and trade circles that the need to increase efficiency in manufacturing, administration, and distribution particularly through the creation of larger production units will create a growing demand for cost-reducing and labor-saving machinery and equipment, the very area of the Swedish import market in which U.S. goods already have an excellent position.

Significance for U.S. suppliers

Those U.S. suppliers who have the initiative and keep informed on the areas of the Swedish economy to be favored during this restructuring period can play an important role therein.

With internal EFTA tariffs already abolished on most industrial goods and tariff reductions averaging 35% on such goods from the United States negotiated during the Kennedy Round, access to the Swedish market will be even freer. U.S. exports to Sweden were up 2% in 1967 to $435 million. In 1968 equipment suppliers may expect to find a ready and expanding market in Sweden for the latest innovations in the machinery and equipment field, including professional, scientific, and medical instruments and apparatus. The areas that would seem to offer the best sales potential are listed below.



SWEDEN MAINTAINS ACTIVE FOREIGN TRADE, narrowing trade gap as exports increase more rapidly than imports. Some 20% of GNP is exported. Here, new container port at Goteborg speeds commerce.

Advanced Metalworking Machinery and Machine Tools, Including Numerically Controlled Tools—The use of numerically controlled systems is growing in Sweden. Recent industry studies have indicated that about forty local companies in the metalworking field are now using these systems or are in the process of procuring such units, including almost twenty machine centers for performing multiple operations in a single setup. The units currently in use are mainly in the shops of motor vehicle manufacturers, shipbuilding yards, electrical equipment companies, turbine manufacturers, machine tool builders, and makers of dairy and food processing machinery.

Industrial Process Controls—Recent years have witnessed the increasing utilization of instrumentation and computerized equipment for the control of industrial processes. Several factors favor a continuation of this trend. High labor costs in Sweden, in conjunction with several other cost-inflating factors, are forcing Swedish industry to press on with a program of plant improvement and modernization essential for maintaining its competitive position in domestic and international markets. Industrial investment in advanced and automated plant equipment is already relatively large and is expected to remain at a high level during the years ahead.

Hand Tools, Power Tools and Equipment for Auto Repair Shops, Including Power Drills, Buffers, and Paint Sprayers—Following what is believed to be a temporary lull in 1967, Sweden's automobile fleet is expected to continue to grow at a significant rate during the years ahead. It is estimated that registered passenger cars will total 2,600,000 by 1970, equivalent to one car for every 2.9 persons. The servicing of these cars will require a large expansion of existing auto repair shop facilities, as well as those of the government-controlled motor vehicle testing stations. New demands for modern automotive tools and repair shop equipment are therefore envisaged during the years ahead.

Materials Handling Equipment—Sweden is less advanced than the United

States in the use of materials handling equipment, but local firms are showing a growing interest in this field with the progressing modernization of Sweden's industrial setup and the structural changes under way in the areas of manufacturing, warehousing and distribution. Recent market studies have indicated that the outlook is particularly promising for sales in Sweden of a wide range of accessories and components for increasing the efficiency of materials handling. These include shelving, racks, rollers, specialized conveyors, lifts and hoists, as well as weighing machines and other automatic weighing devices, industrial trucks, stackers, loaders, and miscellaneous warehousing equipment.

Electronic Computers and Associated Data Processing and Peripheral Equipment—The Swedish market for electronic computers and associated data processing equipment has been virtually unaffected by the 1967 slowdown in the rate of economic growth. American suppliers are expected to continue to play a major role in the Swedish computer market, accounting at present for about 70% of the new equipment on order. The principal customers are government and country administrations, banks and other financial institutions, and computer service centers that rent out time, but only a fraction of the full potential of computer usage has thus far been realized. New areas include manufacturing (process control), wholesale and retail distribution (records and inventory control; and shipping and other transportation (scheduling and booking). It is in these new areas that excellent opportunities exist for U.S. suppliers.

Calculating and Accounting Machines—According to reliable local trade sources, the Swedish market for advanced accounting machines and calculators designed for complex operations is expected to grow during the coming years at an average annual rate of over 20%. Considering the dominance of the domestic industry in the market for the simpler standard-type machines, the best sales prospects for U.S. suppliers will be for the more sophisticated machines designed for complex operations. The market is also said to be growing for billing machines, addressograph-multigraph equipment, and photocopying machines (the latter are not manufactured in Sweden).

Packaging Machines and Equipment, and Food Products Machinery—Sweden's food processing industry is growing, and machinery for this industry is expected to be one of the most salable product categories for U.S. suppliers. The Swedish market is also particularly receptive to imports of packaging machines and equipment, and although the local industry is competitive in several lines, the United States is presently supplying a rather large share of current imports of wrapping, packaging, and filling machines. Factors that are expected to provide additional incentives to sales of food processing and packaging machinery include the continuing trend toward self-service retailing, and the progressing shift in eating habits to prepared and pre-packaged foods.

Other prospects

The recent surge in hospital construction indicates that the already substantial sales of U.S. medical equipment and supplies in Sweden should increase. The Government's emphasis on research and development will also stimulate sales of scientific instruments, optical goods, and laboratory equipment.

Government prodding will accelerate the trend toward mergers and rationalization in the forestry industry with resulting prospects for sales of modern, large-volume plant machinery. Quality paper products and specialty items in this field not made in sufficient volume locally are welcomed by Swedish consumers.

With every Swede expected to be retrained at least once during his adult life and a population explosion now occurring in Swedish universities there are interesting opportunities for U.S. suppliers of training aids, textbooks, and other items in the educational field.

Excellent long-range prospects exist for a wide variety of food products including such items as fresh vegetables, fruit juices, cooked poultry, and other precooked and frozen foods. Sweden is already second only to the United States in per capita consumption of frozen foods and the upward trend in consumption is continuing. Institutional catering equipment and vending machines are much in demand.

There are many opportunities in the consumer field for leisure time products. These include sports equipment, garden equipment, toys and games, trailers, camping equipment, portable swimming pools, resort wear and sport clothes of all types.

Finally, there is a steady demand for clothing and textile items from the United States, including women's foundation garments and undergarments, infant clothes and other baby goods. A leading wholesaler indicates there may also be a market in Sweden for paper garments and nonwoven textiles notably for protective clothing, sheeting, handkerchiefs, and the like.

The U.S. Trade Center for Scandinavia is located in Stockholm and can provide a wide variety of services to businessmen interested in this market. They can participate in the various specialty shows held at the Trade Center or they can use its facilities free of charge between shows for solo exhibitions, window displays, sales meetings, seminars and demonstrations.

Machine tool makers taking off for Tokyo to spur U.S. sales

Will talk with prospective customers Mar. 25-Apr. 6

Several U.S. machine tool manufacturers are scheduled to spend Mar. 25-Apr. 6 in Japan promoting the sale of U.S. equipment.

The five-man trade mission, approved by the U.S. Department of Commerce, expects to spend most of the two-week business tour interviewing prospective customers in Tokyo.

A broad variety of machine tools is manufactured by the companies represented on the mission—metal-working, grinding, boring and milling machines, power presses, and cutting tools, among others.

Roy L. Morgan, business consultant and formerly director of the Commerce Department's Office of Field Services, is heading the group. Other members are:

Charles R. DeVlieg, president, DeVlieg Machine Co., Royal Oak, Mich.; Metz A. Hollengreen, president, Landis Tool Co., Waynesboro, Pa.; Arthur S. Nippes, president, Waterbury Farrel, Cheshire, Conn.; and Thomas R. Rudel, chairman of the board, V & O Press Co., Inc., New York City.

Peru places new control on all airborne imports

Peru's Supreme Resolution No. 157-H of Feb. 9 requires that all merchandise imports carried into Peru in transit by international airlines must be declared to customs authorities on a Manifest of Air Cargo in Transit.

Quadruplicate copies of the Manifest, plus the regular documents and the airway bill, must be delivered to customs officials by the airline captain or his representative. Otherwise, cargo will be confiscated even if not unloaded.

HOSPITABLE COPENHAGEN is also friendly to international business, as reflected in the signs of the downtown business district. Danes like most U.S. goods.

Danes' quality emphasis can now aid U.S. sellers

Slower growth rate brings tight new economic policy

By ROBERT A. BROWN
Commercial Attache,
U.S. Embassy, Copenhagen

Denmark, accustomed to a high per capita GNP growth rate since the late 1950's, has suddenly been faced with a less spectacular increment. A fall-off in the export growth rate, higher taxes and a strong inflationary trend are some of the economic problems facing the country.

A 7.9% devaluation of the krone in November was one of the devices the Government attempted to protect exports and stimulate employment. The Social Democratic party, in power for the last fourteen years, was swept out of office by a three-party liberal-conservative coalition.

Because of the slackening economic activity in 1967, the new Government which came into office in early February proclaimed a new policy intended to counteract the decline and bring about stability. Essentially the Government hopes to tighten the economy with stricter fiscal controls, curb the growth of private consumption and encourage business investment. The end result, according to the government's plan, will be greater production, an increase in exports, and a healthy, vigorous economy.

The important consideration to American businessmen is, of course, how our own export expansion plans will fit into the Danish program. There is less to fear from the new Danish policy than one would initially expect. The emphasis will be to increase production of high-quality exports, manufactured more efficiently and cheaper.

Since the majority of American exports to Denmark have always been raw materials, capital goods and industrial machinery, any lessening of imports of consumer goods will have little effect upon our balance of trade. Indeed, all signs point to an increase in the importation of American capital goods with an expanded list of other type items based on the new priorities.

What goods fare best

Just what categories seem to have the edge in the over-all competition? The main ones are: labor saving machinery in all fields but particularly in food processing, metal working, packaging and plastics manufacturing. Automated materials handling equipment would fall within this category. Special purpose machinery for factory and housing construction, including smaller types of earth-moving equipment, should also be considered. Advanced industrial machinery and equipment to replace outmoded installations in various fields should find a number of potential customers.

Another major field of interest is electronics, with requirements ranging from the smallest components to major control and measuring devices. Desk type digital computers and comparable equipment for small scale industries should also meet with approval.

Hospital, laboratory and scientific equipment are fields of ever-present need and growing requirements. Electronic medical analyzers, disposable hospital supplies, advanced surgical equipment are some of the more important areas for product penetration. The entire field of laboratory and scientific equipment and instrumentation is open to advantageous entry on the part of selected, advanced items.

Thus, despite the Danish government's policy of dampening consumer goods consumption, there is still room for an expansion of American exports in that area which coincides with Denmark's own priority: industrial activity.

When the great American strength in advanced machinery and equipment is coupled with the innate Danish respect for quality, there should be few obstacles in the way of an enterprising salesman obtaining his order; that is, if he knows his product, his customers' needs and negotiates face to face.

Mexico climb continues

New border commission typifies special economic relationship with United States

The Mexican economy is maintaining its steady growth, with manufacturing, construction, commerce, power production and fishing especially strong. Exports have shown a greater decline than earlier foreseen, especially in cotton and certain other crops that suffered weather damages, while imports have increased to feed the expansion of infrastructure and industrialization.

The billion dollar market which Mexico has become for the United States continued to grow, by 10% through August. However, this lagged behind the 12.1% growth through August of Mexico's total imports, due to faster increases in imports from other areas, particularly Europe and Japan.

Increasing competition from other suppliers has been encouraged by Mexico along with more diversified outlets for its exports, through fear of more restrictions on entry of its products into the U.S. Thus, U.S. exporters are faced with the need to provide the best possible quality, price and sales conditions, including financing in many cases, in a more aggressive sales effort in Mexico.

Mexico's policy of industrialization primarily through import substitution means further opportunities in capital goods that will equip new factories and help modernize older ones. It also provides opportunities to supply residual quantities of many items in which Mexico is not yet self-sufficient.

Mexico's review of its protectionist policy and its intention to permit certain imports as a stimulus to better quality and lower prices in Mexican manufactures mean a greater variety of export opportunities for United States industry. Helping in this regard will be the speeding up of the import licensing process through computerization, recently mentioned by the Secretary of Industry and Commerce.

Less competition for U.S.

Because of sharp reductions in cotton exports, Mexico provides at least temporarily lessened competition for U.S. cotton in dollar markets. On the other hand, Mexico will provide renewed competition for traditional U.S. dollar sales of wheat and corn through its much larger export surpluses in these grains.

Since Mexico is self-sufficient in basic food crops and other important agricultural commodities, there is little room for expansion of U.S. agricultural sales to Mexico. One exception is breeding stock, since Mexico is trying hard to improve the quality of its beef and dairy cattle.

There could also be more U.S sales in the line of certain chemicals that could enter manufacture of fertilizers, herbicides and pesticides.

With the growth of commercial agriculture, there will be increased opportunities for more sophisticated agricultural machinery, much of which might come from the United States.

Tourism climbs

Although perennial trade gap widened, tourism grew faster than in 1966, and foreign portfolio and direct investments still find the country attractive. The overall balance of payments position remains solid, and strong gold and dollar reserves back a hard and freely convertible currency.

Supporting these domestically are steady growth in public and private savings, plus orderly expansion of money and credit to backstop a high level of public and private investment.

This is not to say that Mexico lacks problems, especially in the rural areas, but efforts to deal with them are receiving a high priority.

Mexico's continued strong economic expansion, with financial and institutional stability, is particularly important to the United States because of immediate proximity, as well as because of close trade, financial and other economic ties. The recently constituted United States-Mexico Commission for Border Development and Friendship and the projects it is planning to undertake represent an example in action of the special relationship between the two countries.

From January through September Mexican imports were up by 10.8% compared with 1.3% in the same period of 1966. At the same time, exports were down 3.5% versus an increase of 13.9% in 1966. Thus, the negative trade balance of approximately $450 million at the end of nine months was more than for all of 1966.

Increased imports have been due mainly to an accelerated public investment program requiring considerable amounts of imported machinery and equipment. In fact, public imports showed an increase of 49% while private imports were up only 3%. The public investment is concerned, of course, not only with keeping up the pace of expanding the infrastructure needed for continued economic development, but also with providing basic facilities for the 1968 Olympic games.

The drop in exports through September reflected reductions of 52% in cotton and 25% in coffee. Much greater exports of wheat, corn and sugar in 1967 may have largely offset reductions in other agricultural exports. Moreover, other significant declines, as in exports of lead and zinc, may have been more than offset by shrimp exports running one-third greater than in 1966.

The widening of Mexico's perennial trade gap has focused attention on two fundamental facts: Mexico, as primarily an exporter of agricultural commodities, is still vulnerable to the action of natural phenomena, like hurricanes; industrialization, particularly manufacturing for export, still has a great distance to go before the percentage of manufactures in Mexico's total exports will be large enough to dampen the effect of fluctuations in agricultural exports.

Recognize problem

Mexican leaders in both the public and private areas recognize the foregoing problem. For example, the Secretary of Industry and Commerce has stressed the urgent need for Mexicans to become more export conscious.—He has suggested promising export fields.—He has announced that raw materials will be permitted to be imported when the prices or quality of domestic raw materials make the finished product non-competitive internationally.—He has advocated mergers of small firms to reduce administrative costs as well as joint public/private commissions to study, industry by industry, the reasons for high production costs.—He has announced that the issuance of import permits would be computerized, with the aim of cutting from 30 to 4 or 5 days the processing of applications for import permits.

Thus, the current widening of the trade deficit may, in the long run, be helpful to Mexico by stimulating action in pursuit of more and better exports of manufactures. In the short run, the extremely wet weather which helped to create the larger trade deficit is likely to mean much higher agricultural production, particu-

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As a result, barring further hurricanes or other natural disaster, the trade gap should narrow again in 1968.

Mexican financial authorities, in view of the substantially increased trade deficit, will aim to minimize its impact on the balance of payments for the year. Fortunately, new direct foreign investment, including reinvested earnings, was higher than in 1966, which may mean something over $200 million for the year.

Also, tourism through August was up 10.3% versus 8.8% for the preceding year, and Mexico's net gain on border transactions may again show a substantial increase. Thus, it is expected that the total net gain from tourism and border transactions for 1967 will exceed by a substantial margin the $382 million of 1966 and again be the largest element bridging the trade gap.

Barring further damage to agriculture from adverse weather, the next two years should see a considerable increase in Mexican agricultural exports.

At the same time, intensified attention is being given by both the private and the public sectors to lower costs and raise quality in Mexico's industrial output. This effort should result not only in a higher potential to expand and diversify exports of manufactures but also in more job creation and the acquisition of goods by a wider spectrum of Mexican consumers.

Data for the early months of 1967 revealed that the continued rapid pace of Mexican economic expansion—about 7.5% in real terms—was creating some inflationary pressures.

However, as a result of Government action in restraining the availability of money and credit and holding price controls on basic commodities, the year-to-year increase in the wholesale price index was reduced from 4.4% at the end of March to 2.7% by the end of October. Even with these restraints, the economy is expected to show a real growth for 1967 of about 7%.

In its intensified efforts to increase industrialization and expand exports of manufactures, Mexico continues to welcome private foreign investment, especially that contributing to economic development, even though some 90% of investment needs are met from Mexico's own internal resources.

Thus, the Mexicanization policy continues to be generally pragmatic and flexible. Taken into account are the industrial sector involved, the decentralization of location and, frequently most important, the amount of new technical know-how the foreign investor will bring to Mexico. Of course Mexican majority ownership is mandatory in some cases, such as those involving non-renewable resources, and preferred in many others.

The emphasis on decentralizing industry and retaining populations in rural areas could offer opportunities for U.S. investment in agribusiness. Such ventures, which undoubtedly would be preferred on a joint basis by Mexican authorities, might provide both financing and technical assistance to farmers who would produce the food and fibers for processing industries.

Other promising investment opportunities seem to be in hotels, motels and restaurants in new areas where tourism is being encouraged.

Mexico's program of industrialization along its northern border, to help meet the substantial unemployment problem there, has led to the establishment of a number of small enterprises manufacturing chiefly for export. This has led in turn to expressions of concern by American labor that an expansion of U.S. investment in that area might adversely affect employment opportunities in the United States.

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To relieve pressure on availability of producer or consumer items, the Government continues its policy of authorizing new plant capacity and/or imports of supplies from abroad as needed. Other anti-inflationary measures, drawn upon as necessary, have included tightened control over spending by Government agencies, more stringent administration of tax collection, and regulation of credit availability through the system of reserve requirements operated by the Bank of Mexico.

Consumer durables sell

Sales of all consumer durables, other than automobiles, were up in the first ten months of 1967 by about 8%, compared with an increase of 6.3% in the same period last year.

As for soft consumer goods, department stores and supermarkets continue to be crowded. Here, too, Christmas sales will no doubt benefit from measures against smuggling. Again there may be a relative dropoff in cash sales as a result of the tight money policy, but a continued increase in credit purchases should largely compensate.

Through September production in major industries was up strongly over the comparable period of 1966, and it is expected that the total output of manufacturing will average an increase of about 9% for the year.

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Industrial policy has received considerable attention from high level private organizations, such as the National Confederation of Chambers of Industry, at whose seminars Cabinet-level officials have made pleas for intensified efforts to reduce costs and improve quality for the sake both of the Mexican consumer and an expanded export market.

To this end, the protectionist policy which has helped many new industries get started in Mexico is being closely reviewed, with increasing private cooperation with the public authorities. As a result, in some cases import competition has been permitted and new industries are allowed protection for limited periods.

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On the other hand, copper increased almost 23% through the same period, largely reflecting the stimulus of higher world prices. Sulphur increased again, but only by 5.3% through August as compared with 20% through July. In this case, although world demand remains high, the major producing companies have apparently run into production bottlenecks despite their larger proved reserves.

In petroleum, production for the first half of 1967 rose some 5.6% over the same period of 1966. At the same time, consumption of petroleum products in Mexico apparently increased by more than 8%. Thus, if full year figures confirm these trends, the alternatives appear to be either reduced exports of refinery products or increased imports and improved recovery from refinery operations.

Six nations in regional group form Andean development unit to spur private, public growth

Corporation, to be based in Caracas, has authorized capital of $100 million; requires ratification by three signatories

The progress of the Andean Subregional Group gained added impetus last month with the signing of an agreement establishing the Andean Development Corporation.

The six member countries—Bolivia, Chile, Colombia, Ecuador, Peru, and Venezuela—signed the agreement during the fifth meeting of the group's Mixed Commission, held in Bogota. The agreement now goes to the member governments for approval, and will come into effect upon ratification by three members (one of which must be Venezuela, where the corporation is to be located).

The Development Corporation will be established as a public international organization designed to stimulate growth within the subregion. It will finance, invest directly, or participate in the capital of public and private companies of the subregion. The Corporation will also direct projects and provide technical assistance and financing for multinational endeavors. Authorized capital of the corporation, which is to be based in Caracas, is $100 million.

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Other accomplishments of the latest Andean meeting include:

- Agreement that there will be a Permanent Executive Board made up of three members nominated by the Mixed Commission;
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Pakistan eases administrative restrictions on permitted imports

New trade policy reflects change toward greater reliance on market forces; automatic license, bonus features extended

Pakistan's import licensing policy for January-June 1968 reflects a change toward greater reliance on market forces to regulate imports. While the new policy is not intended to completely remove the ceilings on imports, it does embody a substantial relaxation of administrative controls over the composition of permissible imports.

The Government continues to set overall import ceilings in accordance with availability of foreign exchange and to exclude many items from importation. In the hope of achieving a more efficient utilization of resources, however, the new policy provides increased scope for market decisions, as opposed to administrative decisions, to allocate imports among competing demands. This will be accomplished by extending the automatic licensing and bonus features of Pakistan's trade policy to cover an estimated 80% of private sector imports as compared with 57% under the previous licensing pattern. (See INTERNATIONAL COMMERCE, Sept. 11, 1967, p. 21, for an explanation of the export bonus system.)

The increased reliance on bonus vouchers, in particular, widens the application of price rationing to imports, since bonus vouchers are freely traded in the open market at substantial premiums above their face value.

Principal features

To a large extent, this policy is a liberalization of licensing patterns introduced in the previous six-month licensing policy. Principal features of the present policy are:

A Free List consisting of 14 of the most essential industrial inputs for importation only against foreign loans or barter; extension of the cash-plus-bonus scheme, first introduced on a limited scale in July 1967, to cover essential industrial materials not included on the Free List; inclusion of many items of industrial raw materials, intermediates, and equipment in the list of items eligible for import against bonus vouchers, which in the past have been used mainly for consumer goods and less essential items; a significant reduction of the regular licensing list; and provision for interchangeability between certain licensing lists to provide broader access to industrial raw materials and spares.

Items on the Free List may be imported without an import license. Ceilings are set for individual letters of credit for Free List items, but, according to the Government's announcement of the policy, repeat letters of credit may be opened upon presentation of bills of entry for the previous order (the automatic licensing feature).

The 14 Free List items which, it is estimated, will account for about 45% of total imports covered by the policy, are:

Iron and steel (strips, certain welded pipes, plates, tin plates and tinned sheets, coated or uncoated sheets of less than three mm., steel ingots, iron or steel blooms, billets, and slabs); nonferrous metals and ferroalloys, except those on the cash-plus-bonus list; tools and workshop equipment; asbestos fiber; chemicals;

Insecticides and pesticides (for the public sector only); raw material for the pharmaceutical industry (allopathic); coal-tar dyes including dyes for textile printing; gas black and carbon black; fractional low lift pumps; marine diesel engines and parts and outboard engines; nylon twine; wood pulp; and fertilizers (for the public sector only).

Free List items may be imported only from specified sources against loan funds or under barter agreements. The United States is designated as the sole procurement source for nonferrous metals and ferroalloys, raw materials for the pharmaceutical industry, fractional low lift pumps, and nylon twine. Iron and steel, chemicals, and coal-tar dyes may be procured from the United States but also from other sources. Asbestos fiber, tools and workshop equipment, and marine diesel engines and outboard engines will be procured entirely from non-U.S. sources. Procurement sources are not indicated for carbon black and gas black, fertilizers, and insecticides and pesticides.

Cash-plus-bonus extended

The cash-plus-bonus scheme was expanded from its original 11 items to 71 items in the current policy, principally industrial raw materials and components, maintenance spares, surgical and optical instruments and apparatus, and engineering, construction, and mining equipment. Significant individual items on this list include:

Certain iron and steel products not on the Free List; nonferrous metals (mercury, pig tin, unwrought zinc, cobalt cathodes, lead and antimonial lead, molybdenum, titanium sponge, and brass strips); laboratory glassware; raw materials for accumulators and batteries; pitch and tar; ball, roller, and taper bearings; components for the manufacture of electric meters, motors, switchgear, generators, diesel engines, and agricultural implements;

Components for the electronics industry; pasteboard, millboard, and cardboard; cinematographic films, unexposed; photographic films, plates, and paper, except sensitized paper; condensed milk, milk food for infants, malted milk, ovaltine, and milo; synthetic rubber; commercial vehicles (trucks and buses completely knocked down only); PVC resins and pellets; and maintenance spares for all industries.

The basis for licensing under this scheme is 100% of half-yearly entitlement for industrialists based on production schedules; commercial importers will be licensed at flat rates yet to be determined by the control authorities for individual items on the list. Industrial and commercial importers will receive regular licenses at 50% of entitlement or flat rate provided they first obtain a license against bonus vouchers for an equivalent amount. Repeat licenses may be obtained on presentation of bills of entry for earlier orders.

Imports under this scheme will be against Pakistan's free foreign exchange resources from worldwide sources, with this exception—certain items on this list also may be imported from the United States against U.S. commodity loan funds. Because of the bonus element in cash-plus-bonus licenses, the prices for

identical items will be higher if imported under this scheme than if imported under the Free List facility. Indications are that where the cash-plus-bonus items are also available from the United States under Free List, the Government may impose surcharges to equalize the Free List price with that under cash-plus-bonus.

It has been estimated that imports under the cash-plus-bonus scheme will account for about 17% of private sector imports during the licensing period. Together, the Free List and the cash-plus-bonus list now cover most of the essential requirements of private industry.

Quota licensing reduced

The scope of regular quota licensing, under which industrial and commercial importers are licensed at quota percentages announced by the regional controllers without facility for repeat licenses, has been sharply reduced. This licensing list consists of only 25 items in the current policy, as compared with 83 items in the previous policy, and is expected to account for only 20% of total imports.

Items remaining on the quota licensing list include books, journals, magazines, and periodicals; cement (gray); allopathic and homoeopathic drugs and medicines; certain glass packing materials for pharmaceuticals; dyeing and tanning substances; electro-medical apparatus and appliances; scientific instruments, apparatus, and appliances (and parts thereof) for laboratory use;

Spares for diesel locomotives; tractors and power tillers (standardized makes only); brake fluid; petroleum and petroleum products; cotton seed, soybean, and sunflower seed oil; X-ray films and plates; nonfat dry milk; stabilized dried whole egg solids, gas packed; rubber contraceptives; printers ink; and cotton yarn (80 counts and above).

The following items previously on the quota licensing list are moved to the bonus import list (see below) in the current policy: jointing cement; electric cables and wires; anchors and cables; lacquered cans for the canning industry; instruments, apparatus, and appliances other than laboratory instruments; road rollers; drilling rigs for tube-well drilling; various categories of paper; cotton banding and cotton driving ropes; fire fighting hose; sisal and manila ropes; and polishes and compositions. Virtually all the remaining items previously under quota licensing were transferred to the cash-plus-bonus list in the current policy.

The bonus import list (items eligible for importation against bonus vouchers under the Export Bonus Scheme) now numbers 244 items. In addition to numerous consumer goods, this list also contains many items of industrial raw materials, components, and machinery not covered by the other lists. Bonus vouchers also may be used to import any item on the Free List, cash-plus-bonus list, or licensing list, a move designed to enable industries to augment supplies of raw materials and spares as the market dictates.

As in the previous policy, all registered consumers are eligible to import items on the Free List. The current policy, however, eliminates the previous practice of categorizing industries for licensing purposes according to essentiality.

Under the previous policy, 219 List I industries were eligible for licensing from the quota list, while 84 List II industries were excluded from regular licensing and were required to meet all their requirements (other than Free List items) by surrendering bonus vouchers. The current policy gives all industries equal access to imports under Free List, cash-plus-bonus, and quota licensing so long as they have established entitlements to the items sought to be imported.

Under a continuing Export Performance Licensing Scheme, all exporting industries except jute and cotton textiles will be allowed additional licenses to import items of their production requirements up to 30% of the f.o.b. value of their exports. These entitlements are in addition to bonus vouchers earned under the Export Bonus Scheme.

Information on the treatment of individual commodities may be obtained from the Bureau of International Commerce, U.S. Department of Commerce, Washington, D.C. 20230.

Lifting of ban on Syria ends Mideast travel curbs

Effective Feb. 28, U.S. passports are now valid, without special endorsement, for travel of U.S. citizens to the Syrian Arab Republic.

This is the last of the 14 Middle Eastern countries on which the United States placed travel restrictions June 5, 1967, to have the ban lifted.

The other countries, and the dates on which travel restrictions were removed, are as follows: **June 21**—Israel, Kuwait, Morocco, Saudi Arabia, Tunisia; **July 10**—Lebanon; **August 1**—Algeria, Libya, Sudan; **Sept. 12**—Iraq, Jordan, Yemen. **Nov. 20**—United Arab Republic.

Six World Bank members agree to help Pakistan finance Tarbela Dam project

At a recent meeting convened in Paris by the World Bank, seven Bank members, including the United States, agreed to finance the construction of the Tarbela Dam Project on the Indus River in West Pakistan.

Representatives of the governments of Canada, France, Germany, Italy, Pakistan, the United Kingdom and the United States are expected to meet at the World Bank's Washington headquarters early in April to sign the agreement setting up a fund to finance the project.

Pakistan has indicated that, after the agreement has been signed, it proposes to award the main civil works contract to the 'Tarbela Joint Venture'—a consortium of Italian and French contractors whose tendered price was the equivalent of $662.8 million.

A large part of the non-rupee costs, about $324 million, will be financed by a carry-over from the Indus Basin Development Fund.

Canada, France, Italy, the United Kingdom and the United States have promised, subject to any necessary governmental and parliamentary action, to finance expenditures in their countries on the project.

Turkey announces special exchange rate for tourists

The Government of Turkey has raised the effective rate for foreign currencies exchanged by tourists for Turkish lira from nine lira per dollar to twelve lira per dollar. A similar one-third increase is in effect for tourists holding other convertible currencies.

The general exchange rate remains at nine lira per dollar. The new exchange rate is effected by granting tourists a one-third or three lira per dollar rebate on tourist expenditures.

For purposes of foreign exchange control, the Government of Turkey defines a tourist as a person holding a valid foreign passport in which no resident permit has been entered, and whose date of entry into Turkey, as noted in the passport, is within the last 90 days.

In a related action, Turkey increased the rate of interest paid on foreign exchange remittances by Turkish workers abroad to effect an exchange rate of twelve lira per dollar.

Licensees sought to produce items offered by European companies

U.S. firms can get rights to press brakes, shears, electronic weighing systems, machinery, bottle closures

Manufacturers in Canada, Switzerland, West Germany, France and the Netherlands are seeking U.S. licensees to produce and distribute their products for the U.S. market; one of these firms is considering purchasing a U.S. firm in the fragrance or cosmetics and toiletries field, and two are seeking cross-licensing arrangements with U.S. firms.

Products offered are a basement window unit, electronic weighing systems, emergency fluorescent lights, hydraulic drive for opening garage doors, construction machinery, buckle for safety belts, non-woven fiber webs, guillotine shears and press brakes, bottle closures, a nickel plating process, and cement processing machinery and equipment.

For additional information and the name and address of the firm, **write** the Office of International Investment, 874, Bureau of International Commerce, Department of Commerce, Washington, D.C. 20230, referring to the appropriate File number assigned each opportunity listed below.

• A Dutch manufacturer of cutting, forming, and other metalworking machinery and equipment would like to license a U.S. company to produce its **hydraulic guillotine shears and press brakes.**

The Dutch firm is also interested in being a licensee for a U.S. manufacturer of pipe-bending machines, concrete mixers and containers, and other related items in the metalworking sector. **File 1570.**

Bottle screw closure

A West German manufacturer of sheet metal and plastic containers is seeking a licensee in the U.S. to produce its **patented plastic bottle screw closure** with captive resealing cap in conjunction with its patented neck "locking" system.

The manufacturer says the closure is undetachably joined to the bottle in one operation, without any form of bonding agent; that the absolute tight connection between screw closure and neck of bottle by a patented method ensures a perfect gas and airtight seal; that the guarantee boss on the closure, which has to be removed by the user, is proof of the constant quality of the original contents; and that the consumer can reseal the bottle after each use with the captive resealing cap.

The undetachable closure is designed for squirting and sprinkling of liquids, and the atomizing of liquids and powders in the chemistry, industrial, cosmetic and pharmaceutical industries. **File 1571.**

• A West German manufacturer of abrasives is interested in licensing a U.S. firm to use its **nickel plating process.**

The manufacturer says that by eliminating workpiece deformation and by operating at temperatures between 104° and 122°F is ideal for the metalization of textile fabrics. **File 1572.**

Cement processing machinery

• A West German manufacturer of industrial machinery and equipment for the coal, ore, mineral, chemical, iron, steel and cement industries, is seeking a licensee to produce its cement processing machinery and equipment in the United States.

Included in the machinery and equipment offered are: air circulation separators; cyclone type air separators; crushers; granulators; portable crushing units; centrifugal dry and wet separators; fans of different types; rotary kilns with or without heat exchangers; rotary kilns with chain insets; horizontal and vertical conveyors; feeders and several types of centrifugal pumps. **File 1573.**

Basement window unit

• A Canadian firm is seeking a licensee in the U.S. to produce its **basement window unit** with self-storing screens and storm windows.

This window unit, now manufactured in Canada with patents pending in the U.S., is designed for poured concrete and block basements. The frame is made of heavy 16-gauge steel, rib formed to withstand stress, precision welded for strength, and prime coated for durability. There are permanent vinyl tracks riveted to the frame, and holes are in the frame for nailing to forms.

The unit is designed for 8″ wall thickness, but optional flange adapters, compatible with 10″ wall thickness, can be incorporated during manufacture with no degradation in strength or quality. The unit is virtually maintenance free and is simple to install; there is weather-stripping in sash to form a wind and water barrier, and the unit is equipped with a positive lock. **File 1582.**

• A Swiss manufacturer is seeking a licensee in the U.S. to produce its line of **electronic weighing systems,** which can be used in almost every type and phase of materials handling. Associated electronic equipment provides a linkage for computerization of the data collected.

Some of the materials handling phases to which the Swiss weighing systems are applicable are as follows:

Bulk goods and vehicles. For the weighing of bulk goods or trucks, the system consists of a weighing bridge with no moving parts upon which the goods or vehicles are placed. The read out of the weight can take place a great distance from the weighing bridge, if so desired. The systems can also be applied to railroad cars and aircraft.

Bulk goods being moved by cranes. Rather than a crane operator spending time lowering bulk goods to the ground for a weight measurement to be taken, the weighing system offered by the Swiss firm is placed in the crab underneath the idler pully in the carriage, with the reading of the weight being recorded in the cab of the crane or in a recording instrument placed on the ground.

Controlling material flow. The system can be used in recording and controlling the amount of material in tanks, containers, bins, boilers, digesters and ladles, and in proportioning material usage, including accurate automatic blending of a powder material with a liquid. The system can also be used in controlling material flow of a conveyor belt in the movement of such material as ore, gravel, coal, and chips, by simultaneous measurement of the material weight on one of the idlers in the conveyor and the belt speed. The firm states the systems are simple to install, and are highly accurate. **File 1583.**

• A German gate manufacturer wishes to enter into a licensing arrangement with a U.S. company for the manufacture of its newly developed **hydraulic drive device** for opening and closing swing leaf gates and doors. The device, which the manufacturer states can be quickly installed in a small space, consists of a hydraulic pump, closing ram, leaves, and a control gear, and is actuated by pushbutton, beam of light, remote control gear, and the like. Opening and closing speeds can be pre-selected; the minimum opening time is about seven seconds. For safety, the leaves are automatically locked in open and closed position by the action of the drive; and risk of accident is negligible since the unit stops when the moving part meets the slightest resistance. There is also a built-in safety valve which prevents overloading of the pump. The German firm has filed a patent application in the U.S., and reported it was awarded a silver medal for this hydraulic drive device at the 1966 European International Inventors Fair. **File 1521-R.**

Fluorescent lights

• A West German manufacturer of chargers for impulse batteries, electronic current supply controls, and safety and emergency lighting products is seeking a licensee in the U.S. to produce its **fluorescent lights** for use when there is a power failure.

These fluorescent lights are now in two lengths, 23½ in. and 48 in. Each size light has accumulators, loader, no-voltage switch and inverter with transistors. The smaller size light is 6 watts, and the larger is 15 watts. The larger light has a throttle and starter which can be either connected parallel to the normal lighting or used as emergency lighting.

The manufacturer says the built-in gastight accumulators are constantly charged and their capacity is maintained at the required level by the built-in loader. The lights will burn for 2 or 3 hours, and the accumulators are automatically recharged within 30 hours at most, depending on the length of time in use. **File 1584.**

• A West German manufacturer of **construction machinery** is seeking a licensee to manufacture its products in the United States.

The machinery consists of lateral platform cranes with capacities up to 18 tons and road speed of 26 miles per hour, truck mounted cranes with capacities up to 25 tons and road speed in excess of 31 miles per hour; crane combinations with capacities up to 110 tons with load factors up to 1650 tons, slewable; and a self-propelled excavator which can be used in several operations including dragline, clamshell, trench hoe, shovel, crane, magnet, stamper and pile driver.

Some of the machinery has distinctive features such as single wheel suspension to allow ease in negotiation of obstacles, and since the wheels can be lifted individually, the machinery can "step up" onto foundations which are as much as three feet high; the booms measure from 16 to 132 feet, and the equipment is built for one man operation. **File 1585.**

• A French firm is interested in arranging a licensee agreement with a U.S. firm for the manufacture and distribution of a **buckle** for automobile safety belts.

The firm says that the method of locking the belt within the buckle is unusual. A patent has been applied for in France. **File 1532-R.**

• A Swiss firm having technological and engineering know-how, and machinery necessary for coating, drying, gelatinizing, vulcanizing, laminating, rubberizing, varnishing, impregnating, and coloring paper, foils, textiles or rubber, would like to enter into a **joint venture arrangement** with a U.S. firm through the establishment of a plant in the United States.

The size of the plant for the combination spreading, drying, coating and heating processes should measure about 10,750 sq. ft. with room for expansion.

The firm offers an active or silent partnership arrangement with 30 to 50% ownership for the firm or person investing about $20,000. The initial cost of the plant and facilities is estimated at about $80,000. **File 1529-R.**

Non-woven fabrics

• A company in Holland specializing in technology relating to non-woven textiles, has expressed a desire to license a U.S. firm to manufacture **non-woven fiber webs** for use in the rubber and insulation industries. These fiber webs, which contain staple fibers of a natural and/or synthetic nature, animal hairs, or endless threads obtained by spinning of high polymeric substances, are formed so that the fibers are uniformly distributed in all directions.

The company states that because of the open structure of the fiber webs the absorptive capacity is large and the adhesion of the rubber on the fibers is complete. Therefore items such as tires, compressed air- and vacuum-hoses, boats, wall- and floor-coverings, and conveyor belts can be made from what might be termed pliable rubber re-inforced fiber webs, with the rubber penetrating the core of the fiber rather than forming a layer. The tear strength of the produced item is strong, and reinforcements such as iron spirals for vacuum hoses are not necessary. **File 1586.**

Strasbourg firm wants license to expand present line

A large French manufacturer of kitchen and household utensils made of galvanized, enameled, and stainless steel and also of plastics seeks a license from a U.S. firm to produce stainless steel hotel and restaurant catering and kitchen equipment as well as polyethylene containers and wrappers made by injection or blow moulding process.

Write: Leopold & Cie, 67 Pfaffenhoffen, Strasbourg, France. WTD.

Investment Assistance

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations published in the Federal Register for Jan. 3, as amended.

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. A (*) following the name of the foreign firm indicates that additional information is available from the above address.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington, D.C. 20230 or the nearest Department of Commerce Field Office.

Six Brazilian firms seek U.S. licenses to broaden lines

Manufacture of electrical fixtures, resins, artificial marble of interest

Several Brazilian manufacturers want U.S. technical assistance, joint ventures and licenses.

• Technical assistance in the production of lighting equipment ballasts, shock transformers for fluorescent lighting apparatus and power distribution equipment is sought by this manufacturer of lighting products. The Brazilian firm would consider a joint venture or licensing arrangement with a U.S. concern.

Write: Decor Neon S. A. Letreiros e Paineis, Travessa Leonor Mascarenhas, 111 Rio de Janeiro, Brazil.

• A Rio de Janeiro manufacturer of synthetic resins for the paint industry seeks a joint venture with a U.S. company in the synthetic resins or paint field. The Brazilian company is also willing to dispose of its majority interest in the firm.

Established in 1953, the company operates two facilities and has approximately 20 employees. It produces synthetic resins for the printing ink, paint, varnish and adhesive industries. The company currently manufactures resins under a licensing agreement with a Dutch firm.

Write: Cirena-Cia. Resinas Naturais, Rua de Lapa 180, Sale 702/705, Rio de Janeiro, Brazil. WTD.

• A manufacturer of cotton cordage would consider proposals for complete acquisition by a U.S. company.

Established in 1950, the firm has 200 employees and three retail outlets. Annual sales are reported to be $1 million.

Write: Cia. de Com. e Ind. Freitas Soares, Rua da Alfandega, 133, Rio de Janeiro, Brazil.

• A producer and distributor of reflector lamps, electrical plugs, switches and lamp shades, seeks a license to manufacture similar or newly-developed products in the electrical fixtures field.

Established in 1961, the Rio de Janeiro firm has around 70 employees.

Write: Cimel S.A. Com. e Ind. Material Eletrico, Rua Teofilo Otoni 99/101, Rio de Janeiro, Brazil.

• A license to make artificial marble with a polyester resin base is sought by a Recife manufacturer of sodium silicate.

Write: Pernambuco Quimica S.A., C. Postal 814, Recife, Pernambuco, Brazil.

• A manufacturer of acrylic leather finishes seeks a license to produce acrylic emulsion resins for paints and acrylic resins for injection molding and automotive finishes. The U.S. licensor is also requested to supply technical assistance.

Established in 1949, the Porto Alegre company employs 25 people.

Write: Industrias Quimicas Star Ltda., Sertorio, 1091, Porto Alegre, RGS, Brazil.

Cameroonian firm wants joint venture partner

A Cameroonian automobile and radio dealer seeks a joint venture with a U.S. firm to establish a modest assembly plant for the production of trucks and four-wheel drive vehicles such as the jeep. Initial production would amount to about 150 vehicles per year. An assembly plant in Cameroon presumably could gain access eventually to the entire Central African Customs and Economic Union (UDEAC) market of 10 million consumers.

Write: M. Bomba Christophe, B. P. 2048, Yaounde, Cameroon. WTD.

British firm seeks licenses to make measuring devices

A manufacturer of gas flow metering devices and underwater echo sounding apparatus seeks a license to produce analytical measuring equipment for the chemical industry and/or any sophisticated measuring devices.

The British firm already makes communications equipment under a licensing agreement with a U.S. firm.

Write: Sigma Electronics Ltd., 12 Jenner Road, Guildford, Surrey, England. WTD.

French producer wants to make automotive switches

A Paris manufacturer of automobile lights and horns seeks a licensing agreement to produce headlight dimmer and reostat control instrument panel switches. The firm is also interested in making related components for use on automobiles, preferably those operating through electronic controls, plus flashlights, fuses and circuit breakers.

The company operates three plants in France and employs about 1,500.

Write: Seima-Societe de Signalisation Automobile, 32 rue de Paris, 89-Saint-Clement, France. WTD.

Belgian industrialists to visit United States

A mission of Belgian industrialists, organized by the Walloon Economic Council, Section of the Province of Liege, plan to visit the United States the latter part of May to meet with U.S. companies for the purpose of exchanging ideas and discussing possible licensing agreements. The fields of interest are as follows:

Belting; industrial leather or luxury articles; stainless steel products; high-voltage electrical equipment; insulating and disconnecting switches; industrial furnaces; tubular heat exchangers; welded equipment; pressure vessels out of carbon steel; stainless steel; and heat resisting steel; open-air steel gratings; ruskworks, biscuits and candies; bolts and nuts; small electronics, such as chokes and ballasts; loud-speakers; transformers and autotransformers; automatic voltage stabilizers.

Companies interested in meeting with members of the Belgian mission may write directly to Mr. Victor Bernard, Deputy Consul General, Industrial Section, Belgian Consulate General, 50 Rockefeller Plaza, New York, N.Y. 10020 (Ju 6-5110).

Conference on Tropical Africa scheduled for April 23

A one-day conference on U.S. trade and investment in Tropical Africa has been scheduled for Apr. 23 at Lincoln University, Oxford, Pa.

The meeting is being co-sponsored by Lincoln University, the Philadelphia Regional Export Expansion Council, the Delaware State Chamber of Commerce, and the World Trade Group of the York Chamber of Commerce, in cooperation with the U.S. Department of Commerce.

Speakers and panelists at the meeting will include U.S. and African government officials and leading businessmen with experience in Africa. Country desk officers from the Africa Division of the Commerce Department's Bureau of International Commerce will participate in discussions and consultations.

Registration will be held from 9-9:30 a.m.; the fee, which covers all activities including luncheon, will be $12.

Write: Dr. Nathaniel Knowles, Economics Department, Lincoln University, Oxford, 19352, or area code 215-932-8300. Since attendance will be limited, early application is recommended.

World Trade Opportunities

New tunnels to pierce Italy's Alpine barrier, strengthen EEC trade ties

Construction of tunnels included under France-Italy's 5-year plan

In an effort to bring Northern Italy closer to its Common Market partners, several new tunnels are being planned to cut through the Alps.

Four tunnels are proposed toward France: Ciregia, Colle della Maddalena, Colle della Croce and Frejus. Only the Frejus project, however, appears to be definitely underway. The French Government has already undertaken exploratory work, and both France and Italy have agreed to include the tunnel in their respective five-year plans. Construction should begin early in 1970 and last five years.

Preliminary studies indicate that the traffic through the Frejus tunnel would reach 500,000 vehicles in 1975 of which 200,000 would be trucks; that the Frejus would draw from the Mont Blanc tunnel (opened 1965) 10% of its commercial traffic; and that the Mont Blanc tunnel would reach saturation between 1971 and 1973 in the absence of the Frejus and by 1976 even with the Frejus project.

The proposed Ciregia tunnel is designed to provide rapid connections between the south of France (Provence/Cote d'Azure) and Italy's Po Valley. On a larger scale it would be part of a road system important to all of southwestern Europe. The Ciregia tunnel, 7.7 miles in length, is in an advanced stage of study, and preliminary soundings have been made. Actual construction, however, has not yet begun.

The Colle della Croce (Lacroix) project calls for the construction of a 1.9 mile tunnel to link Marseille with Milan and Turin. Preliminary details of this undertaking, which should cost nearly $12 million, were published in the Feb. 12 issue of INTERNATIONAL COMMERCE. Planning for the Colle della Maddalena tunnel is not yet far enough developed for specific details to be available for that project.

Although a Simplon Pass tunnel has long been proposed, the Swiss have instead confined themselves to an all-weather surface highway to be opened at the end of 1970. The building of this new road and the recent completion of a tunnel at San Bernardino may, however, have delayed the construction of the Spulga tunnel to connect Milan and Zurich.

Much more urgent is the proposed Stelvio tunnel, entirely within Italian territory, which would permit direct contact between Milan and Lombardy and the Brenner Pass, instituting a new international route between Genoa, Milan and Munich.

Two additional tunnels are proposed to connect Italy with central and eastern Europe. The first is the Brenner tunnel and the second the so-called "Autostrada di Allemagna" which would lead from Venice to Munich. The Brenner tunnel, however, is of low priority in view of the present system of throughways under construction which will permit all-weather travel at much higher densities. The plans for the "Autostrada di Allemagna," for which specific details are lacking, call for a highway from Venice to Munich via a tunnel through the Aurine Alps.

Tanzania to issue tender for machinery to produce salt

The National Development Corporation (NDC), P.O. Box 2669, Dar es Salaam, is going to announce a tender for the supply of the following equipment: machinery for triple effect evaporation plant, including boilers, to produce 40,000 tons of salt per annum at the Nyanza Salt Mines at Uvinza, by processing salted brine from natural springs.

Tender documents will be available to those companies which have adequate experience and have built a similar plant.

Interested U.S. firms are requested to apply for tender documents either to NDC or their consultants, Powell Duffryn Technical Services Ltd., Knollys House, 11 Byward St., London, E.C. 3, England.

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subisidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

Uruguay seeks construction bids for sugar beet extraction plant

Remolacheras & Azucareras del Uraguay S.A. (RAUSA), Calle Convenio 820, Montevideo, the largest sugar producer in Uruguay, wishes to obtain bids for a mill to extract, purify, and concentrate juice from 3000 tons per day of sugar beets. The juice will then be transported to an existing refinery. The firm wishes to buy complete equipment for the mill and obtain technical assistance for installation.

A copy of the specifications is available on a short term loan basis to firms domiciled in the United States from the GIEC Division, BDSA-588, Department of Commerce, Washington, D.C. 20230. Telephone: 202-967-5589.

Mali extends bid deadline for railway equipment

The Malian Railway notifies bidders interested in submitting offers for the supplying of six passenger cars, two baggage cars, 107 miscellaneous railroad cars including 79 box cars and ten flat cars that the bid deadline has been advanced from Mar. 2 to Apr. 1. (see INTERNATIONAL COMMERCE, Feb. 19, p. 32).

Canadian awards listing available to U.S. firms

A list of firms awarded contracts by various Canadian Government agencies (Transport, Public Works, Defense) during December 1967 and January and February, 1968, is available on loan to U.S. firms from the U.S. Department of Commerce, Trade Opportunities Staff, BDSA-624, Washington, D.C. 20230.

Turkey to construct largest bridge in Europe

The Turkish Minister of Public Works recently announced that a British firm, Freeman and Fox, has won the contract for the Bosphorus Bridge between Europe and Asia. This bridge, with a center span of over 3,000 ft. will replace the Tagus River Bridge in Portugal as the largest bridge in Europe.

Since the British have won only the engineering design contract, a U.S. firm, or a combination of U.S. firms could still win the forthcoming world tender for the construction contract. However, the construction contract will probably go to the company which can provide the best financing offer. The total cost of the project is estimated at $30 million.

The British firm is expected to present its design to the Government in seven or eight months. At that time, the Turkish Government will request bids on a world-wide basis for the construction contract. Firms bidding on the construction contract will also get an opportunity to present an alternative design to the British one.

Further information may be obtained from Mr. Orhan Goncuoglu, Under Secretary, Ministry of Public Works, Government of Turkey, Ankara, Turkey.

Guatemala invites bids for road improvement

The Government of Guatemala seeks bids for improvement work on the terracing, drainage, sub-base conditioning, and asphaltic-emulsionized concrete paving of 29 kilometers on the Tiquisate-El Semillero road. The project includes work on six culverts.

Bid deadline is May 3.

Interested bidders wishing to receive complete specifications are requested to submit 500 sheets of No. 16 mimeograph paper (letter size) and 50 yards of 42" wide heliographic paper to be used for reproducing the specifications.

Firms should ask for Project CDA-4-TBA of the Guatemalan General Bureau of Roads. Agency to be contacted is Departamento de Bienes Nacionales y Licitaciones, 3a. Calle 3-49, Zona 1, Guatemala City, Guatemala, C.A. Correspondence is preferred in Spanish.

Funds for the project will be allocated from an outstanding credit line provided by the International Bank for Reconstruction and Development (World Bank).

S. Africa extends bid deadline for supply, laying of pipeline

The Cape Town City Engineer Department notifies bidders interested in submitting offers for work on the Voelvlei Reservoir pipeline project (see INTERNATIONAL COMMERCE, Mar. 11, p. 37, and Commerce Business Daily, issue No. PS A-4515, Mar. 7) that bid deadline has been advanced from Mar 22 to Apr. 5.

World Trade Opportunities Continued to page 39

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $2.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

- ● indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.
- ★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the Trade Opportunities Staff, BDSA-624, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.
- **WTD** indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

202 Dairy Products

IRAN—Butter; cheese; evaporated milk, powdered form. Labankar Co. Ltd. (importer), 351 Iran Metal Bldg., Pamenar St., Boozarjomehri Ave., Tehran. WTD 2/68.

203 Canning, preserving foods

SWEDEN—Branded products of deep-frozen foods; fruit, vegetable juices; frozen sea foods. Requests samples, brochures, quotations c.i.f. Stockholm. Direct purchase and agency. Brandt & Co., AB G., (agent, exporter, importer), Birger Jarlsgatan 37, Stockholm C. WTD 10/67.

204 Grain mill products

SWEDEN—Cereals; pizza mixes; rice; flour, all kinds; only branded products. Requests samples, brochures, quotations c.i.f. Stockholm. Direct purchase and agency. Brandt & Co., AB G., (agent, exporter, importer), Birger Jarlsgatan 37, Stockholm C. WTD 10/67.

209 Food preparations

GUATEMALA—Yeast. Direct purchase and agency. Emilio Herrera Martinez (manufacturers' representative), 1a. Calle 5-39, Zona 2, Apartado Postal 1429, Guatemala City. WTD 3/68.

PORTUGAL—Soybean cakes, meal. Sociedade de Farinhas Alimentares para Animais SAFAL, Lda. (processor), S. João da Talha, Sacavém. WTD 5/67.

220 Textile mill products

SWEDEN—Piece goods, all materials, for women's, boys', girls' clothing. Direct purchase and agency. Tedex Agenturer (agency), Nordhemsgatan 9, Göteborg. WTD 2/68.

221 Broad woven fabric mills, cotton

ENGLAND—Household textiles: sheets, pillow cases, towels. Agency and direct purchase. Afco Agencies (agent, importer, distributor), 86/90 Paul St., London, E.C.2. WTD 2/68.

FRANCE—Upholstery and drapery fabrics. Direct purchase and agency. Requests replies in French or German. Mr. Henry Antony (sales agent, commission merchant), 11 Blvd. Gambetta, 67 Strasbourg. WTD 3/68.

222 Broad woven fabric mills, manmade fiber, silk

FRANCE—Synthetic fiber upholstery, drapery fabrics. Direct purchase and agency. Requests replies in French or German. Mr. Henry Antony (sales agent, commission merchant), 11 Blvd. Gambetta, 67 Strasbourg. WTD 3/68.

223 Broad woven fabric mills, wool

FRANCE—Wool upholstery, drapery fabrics. Direct purchase and agency. Requests replies in French or German. Mr. Henry Antony (sales agent, commission merchant), 11 Blvd. Gambetta, 67 Strasbourg. WTD 3/68.

225 Knitting mills, products

SWITZERLAND—Original, new styled men's sport shirts, men's hosiery, knitwear of any kind. Direct purchase and agency. Heinz Carl Huber (importer, representative), Hochhaus Luchswiese 220, 8051 Zurich. WTD in preparation.

232 Men's, youths', boys' furnishings, work clothing

UGANDA—Ready-made outerwear for men, youths, children. Improved Traders (Uganda) (importer, retailer, exporter, agent), P.O. Box 30476, Kampala. WTD 9/67.

233 Women's, misses', juniors' outerwear

SWITZERLAND—Fashionable ladies' dresses of all kinds. Direct purchase and agency. Franz Heusser (manufacturer, importer, agent, distributor), Walchestrasse 11, 8006 Zuerich. WTD 2/67.

UGANDA—Ready-made dresses, skirts, blouses. Improved Traders (Uganda) (importer, retailer, exporter, agent), P.O. Box 30476, Kampala. WTD 9/67.

242 Sawmills, planning mills

GREECE—Oak flooring, palletized, select quartered red oak, 25/32 x 2¼". Direct purchase and exclusive agency. Michael S. Stassinopoulos, S.A., Timber Enterprises (importer, wholesaler, retailer, sales agent), 10 Aeschylou St., Athens 114. WTD 11/67.

262 Paper mills, products

GERMANY—Printing, writing paper, art paper for colored, black and white printing.

Requests samples, price quotations. Heinz Pohl (agent, wholesaler, exporter, importer), 58 Mansfelder Strasse, 1 Berlin 31. WTD 2/68.

Fine paper. Requests samples, price quotations. Direct purchase and agency. Otto Ebert, Papier- und Pappengrosshandlung (importer, wholesaler), 36 Lahnstrasse, 1 Berlin 44. WTD 2/68.

263 Paper board mills, products

GERMANY—Cardboard, all kinds. Requests samples, price quotations. Direct purchase and agency. Otto Ebert, Papier- und Pappengrosshandlung (importer, wholesaler), 36 Lahnstrasse, 1 Berlin 44. WTD 2/68.

273 Books

KUWAIT—Textbooks; technical, scientific, professional books; general books (including paperbacks) in both fiction, nonfiction lines. Direct purchase and agency. Khayat Kuwait Printing, Publishing & Distributing Co. (retailer, wholesaler, importer), WLL, P.O. Box 1341, Kuwait. WTD in preparation.

281 Industrial chemicals

● **TURKEY**—Aluminum sulfate, 2,250 tons, white, granular. 100% passing 5 mm. sieve, 90% passing 2 mm. sieve. Minimum 17% AL_2O_3, completely soluble in water (non-solubles max 0.5% total). Tender documents in English available at Modern Translation Bureau, Karanfil Sokak 49/2, Yenisehir, Ankara, for $9.00, including airmail postage. Bid bonds TL 50,000, and performance bonds TL 100,000. Bid deadline Apr. 25. Istanbul Sular Idaresi Genel Mudurlugu, Istanbul. (Directorate General of Istanbul Water Works Administration).★ (Telephone: 202-967-3468).

282 Synthetic materials

ISRAEL—Raw materials for plastics industry: polyethylene, high and low pressure; polyvinylchloride; polypropylene; polysterene; polyacetal; ABS-Copolymer, other similar chemicals. Direct purchase and exclusive agency. Erich Ney & Co., Ltd. (importer, agent, distributor), 37 Jaffa Road, P.O. Box 1698, Tel Aviv. Cable address: ENEY. International Telex No. 033-634. WTD 2/68.

283 Drugs

BOLIVIA—Pharmaceutical preparations, antibiotics. M.D. Ltda.—Medical Drug Ltda. (importer, distributor), Casilla 3606, Avenida Camacho 1377, La Paz. WTD 2/68.

GUATEMALA—Pharmaceutical preparations for human consumption, exclusively. Direct purchase and agency. Emilio Herrera Martinez (manufacturers' representative), 1a. Calle 5-39, Zona 2, Apartado Postal 1429, Guatemala City. WTD 3/68.

HONDURAS—Anesthetics, vermifuges for dogs, other animals. Dr. Ramón Villeda Bermúdez (Policlínico Veterinario) (veterinary clinic), Apartado Postal 169, Tegucigalpa. WTD 9/67.

289 Chemical products

GERMANY—Water treating compounds. Direct purchase and agency. Aqua Clear Wasserchemie GmbH & Co. KG (manufacturer, distributor), 24 Morgensternstrasse, 1 Berlin 45. WTD 3/68.

● **IRAN**—Cigarette filter adhesive, 50,000 kilos. Bid deadline May 19. Iranian Tobacco Monopoly, Teheran.★ (Telephone 202-967-3512).

291 Petroleum refining

FRANCE—Waxes from petroleum. Requests replies in French or German. X.A. Metz, S.a.r.l. (importing manufacturer), 2 C Rue des Vanneaux, 67 Strasbourg-Neudorf. WTD 3/68.

301 Tires, tubes

HONDURAS—Automotive tires, tubes. Direct purchase and agency. Comisiones Tropicales, S. de R. L. (sales representative), Attn. Roberto Aguilar Woods, Manager, Apartado Postal 314, Tegucigalpa. WTD 10/67.

306 Fabricated rubber products

FRANCE—Rubber coated fabrics for automotive, furniture upholstery. Direct purchase and agency. Requests replies in French or German. Mr. Henry Antony (sales agent, commission merchant), 11 Blvd. Gambetta, 67 Strasbourg. WTD 3/68.

311 Leather tanning, finishing

SWEDEN—Leather, artificial materials for ladies' handbags. Miles & Warnberg AB (manufacturer), Nya Nolhagsvägen 5, Alingås. WTD 2/68.

321 Flat glass

FRANCE—Sheet glass, laminated and plate glass. Requests replies in French or German. Miroiterie de l'Est, S.A. (manufacturer, installer), 88 Blvd. Lobau, 54 Nancy. WTD 1/68.

324 Cement, hydraulic

● **CEYLON**—The Ceylon Cement Corp. is seeking bids for the supply of 50,000 metric tons of cement clinker. Bid deadline is Apr. 7. Sets of tender documents are available from Building Materials and Construction Industries Division, BDSA-564, Room 4014, U.S. Department of Commerce, Washington, D.C. 20230. (Telephone 202-967-3602).

329 Abrasive, asbestos, nonmetallic mineral products

BELGIUM—Discs, abrasives, nylon or nylon and fiber glass. Direct purchase and agency. Ginis Frères S.P.R.L. (exporter, manufacturer), 70-72 & 89 Raymond Stijnstraat, Brussels 8. WTD 2/68.

HONDURAS—Acoustic ceiling tiles. Direct purchase and agency. Comisiones Tropicales, S. de R. L. (sales representative), Attn: Roberto Aguilar Woods, Manager, Apartado Postal 314, Tegucigalpa. WTD 10/67.

331 Steel mill products

HONDURAS—Galvanized piping in sizes ½" to 3" diameter. Direct purchase and agency. Comisiones Tropicales, S. de R. L. (sales representative), Attn: Roberto Aguilar Woods, Manager, Apartado Postal 314, Tegucigalpa. WTD 10/67.

342 Cutlery, hand tools, general hardware

FRANCE—Soldering, welding equipment; new concepts, primarily soldering-irons and soldering-guns; blow-lamps and torches; allied tools (electric; propane or butane-gas or others) designed for zincworks operations, for soldering copper, stainless steel, plastic, other soldering requirements. Descriptive literature, price lists requested. Direct purchase and agency. Rippes & Cie. (Société des Etablissements) (manufacturer, dealer), 19 Rue Blanchard-Latour; 33- Bordeaux, Gironde. WTD 2/68.

GUATEMALA—Electric soldering equipment. Direct purchase and agency. Compania Eleva-

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

ALBUQUERQUE, N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 247-0311.

ANCHORAGE, ALASKA, 99501, 306 Lousaw-Sogn Bldg. Area Code 907 Tel. 272-6331.

ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.

BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.

BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.

BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.

BUFFALO, N.Y., 14203, 304 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.

CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.

CHARLESTON, W. VA., 25301, 3002 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6196.

CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Code 307 Tel. 634-5920.

CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.

CINCINNATI, OHIO, 45202, 9028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.

CLEVELAND, OHIO, 44101, 4th Floor, Federal Reserve Bank Bldg., E. 6th St. and Superior Ave. Area Code 216 Tel. 522-4750.

DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.

DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3246.

DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.

DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313 Tel. 226-6088.

GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 275-9111.

HARTFORD, CONN., 06103, 18 Asylum St. Area Code 203 Tel. 244-3530.

HONOLULU, HAWAII, 96813, 352 Alexander Young Bldg., 1015 Bishop St. Tel. 588-977.

HOUSTON, TEX., 77002, 3102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 228-0611.

JACKSONVILLE, FLA., 32202, P.O. Box 35067, 400 W. Bay St. Area Code 904 Tel. 791-2796.

KANSAS CITY, MO., 64106, Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.

LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-3923.

MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.

MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.

MILWAUKEE, WIS., 53203, Straus Bldg., 238 West Wisconsin Ave. Area Code 414 Tel. 272-8600.

MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 334-2131.

NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.

NEW YORK, N.Y., 10001, 61st Floor, Empire State Bldg., 350 Fifth Ave. Area Code 212 Tel. 563-3377.

PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.

PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.

PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.

PORTLAND, OREG., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.

RENO, NEV., 89502, 3029 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.

RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.

ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.

SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.

SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.

SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.

SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.

SEATTLE, WASH., 98104, 809 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-5615.

dores y Maquinaria (manufacturers' representative), 11 Avenida 17-44, Zona 1, Apartado Postal 220, Guatemala City. WTD 2/68.

343 Heating apparatus, plumbing fixtures

PANAMA—Shower heads; bath drains: bath, lavatory faucets; valves; sanitary tank fittings; copper tubing. Requests catalogs, prices. Komex International, S.A. (importer, agent, wholesaler), P.O. Box 542, Colon. WTD in preparation.

PORTUGAL—Garbage incinerators: domestic, commercial types. Direct purchase and agency. Plasticos Visil, Lda. (importer, wholesaler, installer), Rua Neves Ferreira 21, Lisbon 1. WTD in preparation.

344 Fabricated structural metal products

FRANCE—Propane gas cylinders, portable, of types and sizes suitable for use with gas-operated soldering equipment; propane gas regulators. Descriptive literature, price lists requested. Rippes & Cie (Société des Etablissements) (dealer, manufacturer), 19 Rue Blanchard-Latour; 33- Bordeaux, Gironde. WTD 2/68.

● **MALAYSIA**—(3m=$1). Tenders invited for supply, installation and commissioning of steam generating plant comprising one 300,000 lb./hr. oil fired boiler unit with steam outlet conditions of 625 PSIG and 875°F, complete with economizer, air preheater, draught plant, etc., for Sultan Ismail Thermal Power Station second extension. Tender No. 1681/10 bid deadline 12 noon May 31.

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subisidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

Tender documents available on receipt of check for £25 from Preece, Cardew and Rider, 8, 10 and 12 Queen Anne's Gate, Westminster, London, S.W. 1, and Preece, Cardew, Rider, Fifth Floor, Mercantile Bank Bldg., 19/21 Market St., Kuala Lumpur.

A brief description of works is available from the Power and Electrical Equipment Division, Room 4124, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4241).

349 Fabricated metal products

BELGIUM—Valves, automatic control; hydraulic control, metal; pipe fittings. Agency and direct purchase. Mr. R. Cambier S.P.R.L. (importer, distributor), 84 Blvd. Brand Whitlock, Brussels. WTD 2/68.

351 Engines, turbines

● **ARGENTINA**—Supply, install and erect two 12,500 kw (±20%) gas turbine generator sets. Inter-American Development Bank financing. Bid deadline May 9. Conditions of bid and specifications may be obtained by deposit of 20,000 Argentine pesos (approx. U.S.$57.15) and requesting Licitacion Publica No. 761 from the Empressa Provincial de Energia de Cordoba at either of the following addresses: Avenida General Paz 374, Cordoba, Provincia de Cordoba, or Casa de Cordoba, Callao 332, Buenos Aires.

352 Farm machinery

HONDURAS—Machinery, equipment used in silo installations. Comisiones Tropicales, S. de R. L. (sales representative), Attn: Roberto Aguilar Woods, Manager, Apartado Postal 314, Tegucigalpa. WTD 10/67.

353 Construction, mining, materials handling machinery, equipment

● **HONG KONG**—One asphalt-bituminous batch plant, dust collectors; power unit, spare parts for one year, installation and initial operation supervision. Tender No. Stores A-38027. Bid deadline Apr. 19. Tenders accepted only through Hong Kong Agents or Crown Agents, London (office in Washington, D.C.). Secretary, Tender Board, Colonial Secretariat, Central Government Offices, Lower Albert Road, Hong Kong.

ISRAEL—Side-walk sweepers, mobile. Direct purchase and agency; possibly joint venture for local manufacture at later stage. Solcoor Marketing & Purchasing Co. Ltd. (importer, agent, distributor), 99 Ben Yehuda St., P.O. Box 3035, Tel Aviv. Cable address: Solcoorta. WTD 12/67.

● **SUDAN**—Twenty 17-ton axle load furnace tank wagons. Tender Contract No. 3892. Bid deadline May 23. Technical spec and drawings available from Controller of Stores, Sudan Railways, P.O. Box 65, Atbara, on payment of £7.000 per set.

SWITZERLAND—Conveyer systems for chemicals, plastics, food. Direct purchase and agency. Ingenieurbureau Dr. Brehm AG (importer, distributor), Badenerstrasse 29, 8004 Zurich. WTD 2/68.

354 Metalworking machinery

GUATEMALA—Metalworking, metalforming machinery; power driven hand tools. Direct purchase and agency. Compania Elevadores y Maquinaria (manufacturers' representative), 11 Avenida 17-44, Zona 1, Apartado Postal 220, Guatemala City. WTD 2/68.

MALAYSIA—Pipe straightening machinery. Soon Seng & Co. (manufacturer, retailer, agent, distributor, importer), No. 27 Malay St., Kuala Lumpur. WTD 2/68.

● **PAKISTAN**—Machinery for the manufacture of spare parts for diesel locomotives and railcars, including: five 7½″ Capstan lathes; two 6″ Capstan lathes; three 10″ center lathes—20″ swing over bed; two 15″ center lathes—30″ swing over bed; four 62″ center lathes—12″ swing over bed; six 6½″ center lathes—15″ swing over bed; five hydraulic automatic machines; one vertical milling machine—50″ x 12″ table; one vertical milling machine with hydraulic copying attachment—26″ x 8″ table; slotter—28″ table; shaper—18″ stroke, 18″ x 14″ table; horizontal boring machine—48″ bolt, drilling machine—11″ x 10″ table; two radial drills—4′ radius to spindle; jig borer—18″ x 48″ table; cold saw—18″ dia. saw blade; vertical surface grinder—60″ x 16½″ table; universal grinder—12″ x 1½″ x 5″ dia. wheel; internal grinder—½″ to 10″ bore; rotary surface grinder—12¾″ x ¾″ x 5″ wheel; horizontal surface grinder—52″ x 9″ table; pedestal grinder—20″ x 3½″ wheel; centerless grinder—suitable for working ½″ to 2″ dia. stock; 180 ton press, guillotine shear—for 4″ x ⅜″ plate, portable air compressor, and a bar reeling and straightening machine. Tender No. PR-1/67/PMP/30, bid deadline Apr. 10. Deputy Chief Procurement and Development, Railway Board, P.W.R. Headquarters, Empress Road, Lahore.

Tender documents may be obtained from Office of the Secretary, Railway Board, Government of West Pakistan, P.W.R. Headquarters (Room No. 7, First Floor), Empress Road, Lahore, or the District Controller of Purchase (Inspection) P.W.R., Karachi Cant. for Rs. 100 ($21) per copy.

355 Special industry machinery

AUSTRALIA—Full range of printing presses; paper converting machinery for production of paper into paper bags after receiving printing. Multiglo Inks Pty. Ltd., Attn: Mr. S. E. Jones, (manufacturer), 61 Baxter Rd., Mascot, N.S.W. 2020. WTD 2/68.

FRANCE—Glass working machinery for cutting edges, bevelled edges, joints; silver plating of mirrors. Manufacturer requests offers for modernization of plant. Requests replies in French or German. Miroiterie de l'Est, S.A. (importing manufacturer, installer), 88 Blvd. Lobau, 54 Nancy. WTD 1/68.

GUATEMALA—Woodworking Machinery. Direct purchase and agency. Compania Elevadores y Maquinaria (manufacturers' representative), 11 Avenida 17-44, Zona 1, Apartado Postal 220, Guatemala City. WTD 2/68.

IRAN—Commercial food products machinery. Seeks technical know-how on joint venture basis. Labankar Co. Ltd. (importer), 351 Iran Metal Bldg., Pamenar St., Boozarjomehri Ave., Tehran. WTD 2/68.

ISRAEL—Machinery and know-how for manufacture of raw materials for plastics industry. Direct purchase and exclusive agency. Erich Ney & Co., Ltd. (importer, agent, distributor), 37 Jaffa Road, P.O. Box 1698, Tel Aviv. Cable address: ENEY. International Telex No. 033-634. WTD 2/68.

NICARAGUA—Complete machinery for processing of limestone with capacity of 100 to 150 tons per eight hour shift; to include crusher, furnace, hydrator, dryer, packaging unit. Requests descriptive literature, price lists, other information. Requests replies in Spanish. Mr. Luis R. Cerna B. (producer, grower), Apartado Postal 333, Managua. WTD in preparation.

SWITZERLAND—Food processing machinery, chemical manufacturing industry machinery, plastics working machinery, sieving machines, centrifuges, crushers, mills, choppers, tablet making machines. Direct purchase and agency. Ingenieurbureau Dr. Brehm AG (importer, distributor), Badenerstrasse 29, 8004 Zurich. WTD 2/68.

356 General industrial machinery

BELGIUM—Pumps, for fluid power systems, hydraulic. Agency and direct purchase. Mr. R. Cambier S.P.R.L. (importer, distributor), 84 Blvd. Brand Whitlock, Brussels. WTD 2/68.

357 Office, computing, accounting machines

FRANCE—Small typewriters, calculating machines. Direct purchase and agency. Requests replies in French. S.A. Eclair-Bureau (importer, wholesaler), 13/15, Rue de Lappe, Paris, 11ème. WTD 9/67.

358 Service industry machines

GERMANY—Water treating equipment: household, industrial. Direct purchase and agency. Aqua Clear Wasserchemie GmbH & Co. KG (manufacturer, distributor), 24 Morgensternstrasse, 1 Berlin 45. WTD 3/68.

PORTUGAL—Garbage disposal units; water, sewage purification equipment, household, commercial type for small, large, town municipal installations. Direct purchase and agency. Plasticos Visil, Lda. (importer, wholesaler, installer), Rua Neves Ferreira 21, Lisbon 1. WTD in preparation.

361 Electric transmission, distribution equipment

PORTUGAL—Voltmeters, oscilloscopes, ammeters, other electric measuring instruments, test equipment. Direct purchase and agency. Flocol, Lda. (importer, wholesaler, sales agent), Avenida 5 de Outubro 35-B, Lisbon 1. WTD in preparation.

362 Electrical industrial apparatus

ETHIOPIA—Diesel generating sets, 68 kw to 1,000 kw, 50 Hz. Ethiopian Electric Light & Power Authority, P.O. Box 1233, Addis Ababa.

GUATEMALA—Motors, generators. Direct purchase and agency. Compania Elevadores y Maquinaria (manufacturers' representative), 11 Avenida 17-44, Zona 1, Apartado Postal 220, Guatemala City. WTD 2/68.

363 Household appliances

HONDURAS—Household appliances such as refrigerators, washing machines, vacuum cleaners, electric stoves, mixers. Direct purchase and agency. Comisiones Tropicales, S. de R. L. (sales representation), Attn: Roberto Aguilar Woods, Manager, Apartado Postal 314, Tegucigalpa. WTD 10/67.

PORTUGAL—Food waste disposal units. Direct purchase and agency. Plasticos Visil, Lda. (importer, wholesaler, installer), Rua Neves Ferreira 21, Lisbon 1. WTD in preparation.

364 Electric lighting, wiring equipment

● **INDIA**—Supply of miscellaneous lighting equipment for highways, including six sets of 140 mm. and two sets of 300 mm. open flame flashing acetylene lanterns. Requested by Director General of Supplies and Disposals. National Insurance Bldg., Parliament St., New Delhi. Tender No. ES1/217/31/095/Cell-178, bid deadline Apr. 24. Tender documents available from India Supply Mission, 2536 Massachusetts Ave., N.W., Washington, D.C. (Ref. No. D/ENQ/2510), at cost of $2.75 each, not refundable.

365 Radio, television receiving sets

PORTUGAL—Tape recorders, phonographs, radio, television receiving sets, stereo, high fidelity, other equipment for home entertainment. Direct purchase and agency. Flocol, Lda. (importer, wholesaler, sales agent), Avenida 5 de Outubro 35-B, Lisbon 1. WTD in preparation.

366 Communications equipment

● **ETHIOPIA**—Supply of telephone equipment required for the extension of the capitol's telephone exchanges. Tender No. 3/68, bid deadline Apr. 23. Imperial Board of Telecommunications of Ethiopia, P.O. Box 1047, Addis Ababa.★ (Telephone 202-967-4823).

FRANCE—Professional electronic equipment of an advanced technique. Direct purchase and agency. Electronique MS (importer, wholesaler, agent), 7, Rue Valentin-Haüy, Paris, 15e. WTD 11/67.

367 Electronic components, accessories

ENGLAND—Electronic components: integrated circuits, miniature potentiometers, miniature transformers. Agency and direct purchase. Radio and Television Services Ltd. (distributor), Gloucester St., Cambridge. WTD 3/68.

When a foot is not a foot

If your printer quoted you a price on 21.5 by 27.9 centimeter letterheads you would think he was in the wrong country.

You probably would pass up the service station where pumps measured gasoline by the liter.

The advertisers in these pages—except those from the U.K. and the British Commonwealth countries—are just as partial to the metric system as you are to inches and gallons.

So when you answer one of them, quote in metric measurements.

Ask the Department of Commerce Field Office.

FRANCE—Electronic components: capacitors, resistors for electronic applications; electronic inductors, printed circuits; solid state electronic devices, semi conductor devices, rectifiers, controlled rectifiers, integrated circuits, diodes, germanium, silicon. Direct purchase and agency. Electronique MS (importer, wholesaler, agent), 7, Rue Valentin Haüy, Paris, 15e. WTD 11/67.

PORTUGAL—Virgin recording magnetic tapes. Direct purchase and agency. Flocol, Lda. (importer, wholesaler, sales agent), Avenida 5 de Outubro 35-B, Lisbon 1. WTD in preparation.

371 Motor vehicles, motor vehicle equipment

PHILIPPINES — Automotive replacement parts: Pistons, brake linings, main bearings, connecting rod bearings. Colonial Hardware & Auto Supply (importer, wholesaler, retailer), c/o Mr. Simplicio Tudtud, Manager, Colon St., Cebu City. WTD 3/68.

384 Surgical, medical, dental instruments

BELGIUM—Safety appliances, equipment, personal; anti-acid. Direct purchase and agency. Ginis Frères S.P.R.L. (exporter, manufacturer), 70-72 & 89 Raymond Stijnstraat, Brussels 8. WTD 2/68.

HONDURAS—Orthopedic devices used in setting broken bones in dogs, other animals. Dr. Ramón Villeda Bermúdez (Policlínico Veterinario) (veterinary clinic), Apartado Postal 169, Tegucigalpa. WTD 9/67.

IRAN—Portable machine for measuring amount of alcohol in blood, to be used by traffic police for testing sobriety of drivers of automobiles. Direct purchase and agency. Shahla Co. (importer), 411 Nasserkhosrow Ave., Tehran. WTD 9/67.

385 Ophthalmic goods

PORTUGAL—Eyeglass frames, parts; gold filled. Direct purchase and agency. Bernardo Garcia, Lda. (ophthalmic goods), Rua da Prata 247, Lisbon. WTD 7/67.

399 Manufacturing industries

SWEDEN—Metal frames, locks, fittings for ladies' handbags. Miles & Warnberg AB (manufacturer), Nya Nolhagsvägen 5, Alingsås. WTD 2/68.

501 Motor vehicles, automotive equipment

IRELAND—Auto electric units, spares; automobile accessories. Traders Magneto & Dynamo Co. Ltd. (importing distributor), 32-35 S. William St., Dublin 2. WTD 2/68.

504 Groceries

HONG KONG—White, polished, long grain rice, any percentage "brokens." Leung Yew, Ltd. (importer, manufacturer, wholesaler, exporter), 16th Floor, Wang Kee Bldg., 34-37 Connaught Rd. Central. Cable: Lycoo. WTD 4/67.

NEW ZEALAND—Vegetable oils: peanut, soybean, safflower, sunflower oil. Olympic Trading Co. (importer, agent), 220 Adelaide Rd., P.O. Box 1984, Wellington. WTD 2/68.

505 Farm products—raw materials

PORTUGAL—Sorghum. Sociedade de Farinhas Alimentares para Animais Safal, Lda. (processor), S. Joao da Talha, Sacavem. WTD 5/67.

507 Hardware, plumbing, heating equipment, supplies

IRELAND—Home, office ventilation equipment. Traders Magneto & Dynamo Co. Ltd. (importing distributor), 32-35 S. William St., Dublin 2. WTD 2/68.

508 Machinery, equipment, supplies

IRELAND—Diesel fuel injection units, spares. Traders Magneto & Dynamo Co. Ltd. (importing distributor), 32-35 S. William St., Dublin 2. WTD 2/68.

509 Wholesalers

HONG KONG—Stainless steel cuttings, scrap, or waste, Leung Yew, Ltd. (importer, manufacturer, wholesaler, exporter), 16th Floor, Wang Kee Bldg., 34-37 Connaught Rd. Central. Cable: Lycoo. WTD 4/67.

781 Motion picture production, distribution

ETHIOPIA—Educational films for use in elementary schools. Dr. Karl Pollak (Commission agent), P.O. Box 1209, Addis Ababa. WTD in preparation.

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

220 Textile mill products

ECUADOR—Yard goods of all types. Catalogs, swatches requested. Distribuidora Comercial Dennis, Carl A. Th. Fromell, Proprietor (textile distributor), Calle Montalvo entre Calle Cevallos y Sucre, P.O. Box 142. WTD 11/67.

252 Office furniture

AFGHANISTAN—Metal filing cabinets, chairs, desks for office use. Pamir Co., Inc. (importer, distributor), P.O. Box 3009, Kabul. WTD 2/68.

281 Industrial chemicals

COLOMBIA—Industrial chemicals. Ingenieros Quimicos Ltda. (INGEQUIL) (manufacturers' representative), carrera 49 No. 50-58, Oficina 210, Medellin. WTD 2/68.

HONG KONG—Shrinkage resistant chemical for woolens in liquid or powder form. Exclusive agency. Union Co. (importer, wholesaler, retailer), P.O. Box 6958, Kowloon. Cable: Hkpanunion. WTD 9/67.

287 Agricultural chemicals

PERU—Agricultural insecticides, fungicides.

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subisidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

Mr. Ernest Trigueros Pomar (agriculturalist), Miguel Dasso 144—Dpto. B-2, San Isidro, Lima. WTD in preparation.

325 Structural clay products

AFGHANISTAN—Ceramic, enamel, mosaic floor, wall tiles. Pamir Co., Inc. (importer, distributor). P.O. Box 3009, Kabul. WTD 2/68.

326 Pottery, related products

UGANDA—Kitchen articles, crockery. Improved Traders (Uganda) (importer, exporter, retailer, agent), P.O. Box 30476, Kampala. WTD 9/67.

346 Metal stampings

UGANDA—Kitchen utensils. Improved Traders (Uganda) (importer, exporter, retailer, agent), P.O. Box 30476, Kampala. WTD 9/67.

349 Fabricated metal products

ENGLAND—Specialty valves or instruments. Agency, preferably with small firm, with possibility of manufacturing under license at later date. G. A. Platon Ltd. (exporter, importer, manufacturer), Wella Road, Basingstoke, Hampshire. WTD 3/68.

352 Farm machinery

ISRAEL—Agricultural machinery (all types), implements. Sole distribution. Agricultural Equipment Ltd. (importer, agent), 1 Katzenelson St., P.O. Box 197, Tel Aviv. Cable Address: Agrip. WTD 1/68.

356 General industrial machinery

ENGLAND—Ball, roller bearings of all types, plummer blocks. Milson Bearing and Engineering Service Ltd. (distributor), 21 Althorp Road, St. James's Square, Northampton. WTD 3/68.

ISRAEL—Packaging machinery for general industrial use. Gabriel Amitai, Mscie (agent), 31 Rothschild Blvd., Tel Aviv. WTD 3/68.

357 Office, computing, accounting machines

AFGHANISTAN—Electric, manual typewriters; duplicating machines. Pamir Co., Inc. (importer, distributor), P.O. Box 3009, Kabul. WTD 2/68.

PERU—Automatic or semi-automatic ticket dispensor. Requests replies in Spanish. Representaciones Proquima S.A. (importer), Av. Arenales No. 395, Of. 502, Lima. WTD 12/66.

361 Electric transmission, distribution equipment

FRANCE—Industrial electric devices: all types of instrument relays; portable instrument transformers; power connectors; control panels; control transformers; meters, metering panels; time switches. La Telecommande Industrielle (manufacturer, wholesaler, importer, agent), 62, Ave. du Marechal-Joffre, 92 Nanterre. WTD 4/67.

362 Electrical industrial apparatus

FRANCE—Rectifiers (electrical apparatus); electric control equipment; industrial controls, control accessories; electrical rotating inverters. La Telecommande Industrielle—T.L.I. (manufacturer, wholesaler, importer, agent), 62, Ave. du Marechal-Joffre, 92 Nanterre. WTD 4/67.

372 Aircraft, parts

FRANCE—Aircraft parts, auxiliary equipment, control devices, accessories, including training aids, flight instruments; equipment for space capsules, missile components, accessories; allied products, electric, others. Becel, Philippe (sales agent, dealer), 2 Rue des Roses; 31- Toulouse, Haute-Garonne. WTD 3/68.

381 Engineering, laboratory, scientific research instruments

COLOMBIA—Laboratory, scientific instruments. Ingenieros Quimicos Ltda. (INGEQUIL) (manufacturers' representative), Carrera 49 No. 50-58, Oficina 210, Medellin. WTD 2/68.

384 Surgical, medical, dental instruments

ISRAEL—Safety equipment, devices for civil defense. Gabriel Amitai, Mscie (agent), 31 Rothschild Blvd., Tel Aviv. WTD 3/68.

Iraq seeks builders to construct berths

Bids are invited by the Iraqi Ports Administration for additional construction work on Berths Nos. 12, 13, and 14 at Maqal-Basrah.

The bid deadline is July 1. The contract documents and instructions for these works may be inspected at any of the following places:

(a) The offices of the Ports Administration, Basrah, Iraq.

(b) The offices of the Representative of Iraqi Ports Administration, Ministry of Communications, Baghdad, Iraq.

(c) The offices of the Consulting Engineers, Messrs. Pacific Consultants, K.K., 8, Minami-Motomachi, Shinjuku-Ku, Tokyo, Japan.

(d) The embassies and consular missions of the Iraqi Republic in Budapest, Belgrade, Cairo, Madrid, Moscow, Paris, Prague, Rome, Sofia, Stockholm and Tokyo.

Firms may obtain complete sets of tender documents (i.e., four copies of documents and one set of drawings) from either of the addresses mentioned under (a), (b), and (c) upon non-refundable payment of 100 Iraqi dinars (U.S.$280).

Particular attention is drawn to the fact that tenderers must have more than five years of actual experience in construction work of a similar nature, and must have a representative in Iraq.

Leads for Importers

Commodities are offered direct unless specified

011 Field crop farms

MADAGASCAR—Malagasy agricultural products especially cloves, clove oil, raffia. Compagnie Marseillaise de Madagascar (L. Besson & Cie), (exporter, wholesaler, importer), Boite Postale No. 173, 37 Rue de Liege, Tananarive. WTD 2/68.

012 Fruit, tree nut, vegetable farms

AFGHANISTAN—Pistachio nuts, shelled or unshelled. Herat Cotton Export and Industrial Co. (exporter, importer, manufacturer), Serai Badghesi, Herat. WTD 2/68.

229 Textile goods

AFGHANISTAN—Coarse baled sheep, goat, camel wool fleece. Herat Cotton Export and Industrial Co. (manufacturer, importer, exporter), Serai Badghesi, Herat. WTD 2/68.

249 Wood products

UGANDA—Novelties, wood fiber. Improved Traders (Uganda) (importer, exporter, retailer, agent), P.O. Box 30476, Kampala. WTD 9/67.

319 Leather goods

UGANDA—Leather novelties. Improved Trad-

ers (Uganda) (importer, retailer, exporter, agent), P.O. Box 30476, Kampala. WTD 9/67.

373 Ship building, repairing

NEW ZEALAND—Seeks contracts with United States customers to construct and export steel ocean-going vessels up to 200 ft. in length, and up to 1,500 tons such as ocean going tugs, patrol vessels, landing craft, harbour service tugs & tow-boats, dredges of all types, fishing vessels of all types, floating cranes, cargo barges, hopper barges, standard barges. Whangarei Engineering and Construction Ltd. (shipbuilder, exporter), Port Road, P.O. Box 24, Whangarei. WTD 2/68.

399 Manufacturing industries

AFGHANISTAN—Cashmere wool, washed, sorted, and baled; Karakul skins, sorted by quality. Herat Cotton Export and Industrial Co. (exporter, importer, manufacturer), Serai Badghesi, Herat. WTD 2/68.

UGANDA—Novelties, beaded, bone, straw, hand-woven. Improved Traders (Uganda) (importer, exporter, retailer, agent), P.O. Box 30476, Kampala. WTD 9/67.

Southern Peru plans oil refinery

A new oil refinery is soon to be constructed at Matarani, the port of Arequipa, in southern Peru. According to a recent announcement of the State petroleum company, Empresa Petrolera Fiscal, the refinery will have an initial capacity of 20,000 barrels a day, which may later rise to 40,000 barrels daily. The crude oil to be used may be either of domestic or foreign origin.

Although specifications of the project will not be available until July, the cost of the new facility should be about $10 million. Further information on this project may be obtained by writing directly to: Ing. Guillermo Soto, Empresa Petrolera Fiscal, Apurimac 224, Lima, Peru.

Visiting Buyers and Officials

Scheduled arrival dates and U.S. addresses indicated

AFGHANISTAN—Mohammed Hussain, Afghan Textile Co., Kabul, interested in importing **U.S. textile products.** March via New York for 3-6 months. c/o Afghan American Trading Co., Inc., 122 W. 30th St., New York, N.Y. 10001 or P.O. Box 11426, University of California-Santa Barbara, Santa Barbara, Calif. 93106. Itinerary: New York, Washington, Los Angeles. WTD 2/68.

KOREA—Messrs. Ki-Chul Lee and Choong S. Cho, Hanjin Transportation Co. and Hanjin International, Room 1001, Samsung Bldg., P.O. Box 389 Central, Seoul, a leading Korean company interested in diversification, is interested in joint venture or licensing agreement for manufacture of **semi-conductors, electrical home appliances, and machine tools for domestic and export markets.** Until April 12, contact through Hanjin International Inc., Room 6612, Empire State Bldg., 350 5th Ave., New York, N.Y. 10001. WTD 2/68.

Mr. Kyung Hi Choi, President, Samho Group, P.O.B. International 1054, Seoul, interested in joint venture partner for manufacture of **electronic equipment in Korea for domestic and export markets and supplier of textile raw materials.** Until May 18, c/o Samho Trading Co., Pan American Bldg., 200 Park Ave., New York, N.Y. 10017. WTD 9/66.

SPAIN—Miguel Torres, representing his own firm, Comercio 34, Villafranca del Panades, Barcelona Province, interested in exporting **Spanish bottled wines** to U.S. Mar. 15 via New York for two months. c/o Leonard Horwin, 121 S. Beverly Dr., Beverly Hills, Calif. 90212. Itinerary: New York; Washington, D.C.; Chicago; St. Louis; Los Angeles. WTD 3/68.

TAIWAN—Herman Lo, Ho Chung Fishery & Ice Co., Ltd., 58-2 Lin Hai 2nd Road, Kaohsiung, interested in exporting **frozen sea products such as mahimahi, red snapper, shrimp, lobster.** Mar. 18 via Honolulu until Apr. 13. c/o Mitsui & Co. (U.S.A.) Inc., offices at 810 Richards St., Honolulu 96804; 510 W. 6th St., Los Angeles 90014; 200 Park Ave., New York, N.Y. 10017. Itinerary: 3/18-28 Honolulu, 3/30-4/4 Los Angeles. 4/6-13 New York. WTD in preparation.

New Trade Lists

The Bureau of International Commerce has published the following automated lists to provide complete coverage for the **PHILIPPINES.** *Automated trade lists may be ordered by firms domiciled in the United States, giving the titles listed below or by the five digit identification (ID) number from BIC-924, U.S. Department of Commerce, Washington, D.C. 20230, and from Department of Commerce Field Offices. The price is $1 per list for each country.*

Number — *Title*	*Number of names in list*
01000—Commercial farms; forestry and fishery products,	77
10000—Mining companies and construction contractors,	51
20000—Food and kindred products,	260
21000—Tobacco and tobacco products,	13
22000—Textile mill products,	95
23000—Apparel and other finished products made from fabrics,	97
24000—Lumber and wood products, except furniture,	225
25000—Furniture and fixtures,	48
26000—Paper and allied products,	206
27000—Published and printed materials,	77
28100—Chemicals, industrial inorganic and organic,	151
28200—Plastics materials and synthetic resins; other man-made fibers, except glass,	39
28300—Drugs; soap, detergents, and cleaning preparations, perfumes, cosmetics and other toilet preparations,	111
28500—Paints, varnishes, lacquers, enamels and allied products; gum and wood chemicals; agricultural and miscellaneous chemicals,	118
29000—Petroleum and petroleum products; rubber products and miscellaneous chemicals,	157
31000—Leather and leather products,	42
32000—Stone, clay, glass, and concrete products,	231
33000—Primary metals and metal products,	89
34200—Fabricated metal products—cutlery, hand tools, and general hardware, heating apparatus (except electric); structural metal products,	254
34500—Industrial fasteners; metal stampings; miscellaneous fabricated metal products,	90
35100—Machinery, non-electrical: engines and turbines; farm machinery and equipment; construction and materials handling machinery and equipment,	240
35400—Machinery, non-electrical: metalworking machinery and equipment; special and general industrial machinery,	329
35700—Office machines; service industry machines; miscellaneous machinery except electrical,	93
36100—Electric transmission and distribution equipment; electrical industrial apparatus,	148
36300—Household appliances,	46
36400—Electric lighting and wiring equipment,	92
36600—Electronic equipment; electronic components and accessories; miscellaneous electrical machinery, equipment and supplies,	240
37000—Transportation equipment,	193
38000—Professional, scientific, and controlling instruments; photographic equipment and supplies; watches and clocks,	150
39000—Jewelry, silverware, and plated ware; musical instruments; toys, amusement, sporting and athletic goods; office materials; miscellaneous manufactured products,	110

Little things make the difference

"Quite often the difference in being successful and not being successful in a foreign market is that the successful firm is aware of and paying attention to the little things.

"These can be:

"Handling all overseas correspondence as quickly as possible;

"The ability to be understood in writing;

"Making certain that the sales literature and technical bulletins are in the language of the country;

"And tailoring the product to the customer's needs.

"To be successful in international trade takes more than a product and a desire to sell it. Often it is these little things that can make the big difference in overseas marketing."

—V. J. Borland, Export Manager, Quaker State Oil Refining Corp.

New Books and Reports

***Agribusiness Coordination.* By Ray Goldberg. Published by Harvard Business School. Boston. 1968. 256-pp. $12.**

This study provides a systems approach to the wheat, soybean, and Florida orange economies. The systems approach involves the production, processing, and marketing phases of a single farm product. Its participants include all individuals from the farm supplier to the consumer as well as the government, futures markets, trade associations, and academic institutions.

Although each of the commodity systems selected for this study has unique structural and performance patterns, the analysis of the three, taken together, has general application for managers in all agribusiness commodity systems.

This study is an extension of the original purpose of the Agriculture and Business Program at the Harvard Business School.

Write: Division of Research, Harvard Business School, Boston, Mass. 02163.

***EFTA Trade 1959-66.* Published by the European Free Trade Assn. Geneva. 1968. 136pp. Free.**

This volume summarizes the position of EFTA in world trade, trade by regions and trade by commodities. Trade between EFTA countries is covered, as well as trade with the United States, Eastern Europe, the Common Market and the developing countries. Commodity trade is broken down into chemicals, semi-manufactures, machinery, land transport equipment and miscellaneous manufactured goods.

Tables are included on exchange rates of EFTA countries, imports and exports by country and region, balance of trade and growth percentage.

Write: EFTA Information Office, Suite 714, 711 Fourteenth St. NW., Washington, D.C. 20005.

***Reflections on Nigeria's Economic Growth.* By W. Arthur Lewis. Published by the OECD. Paris. 1967. 66pp. $1.50.**

The essentials for Nigerian economic growth, according to this report, are a common market, a common currency, unrestricted transportation and a minimum of bureaucratic licensing. The report assesses the progress Nigeria was making before the hostilities of 1966.

The author considers agricultural exports as the main growth impetus in both the past and the immediate future. He pleads for additional foreign aid to prevent a cut in the rate of capital formation while government surpluses build up to 5%, which will be both more important and more difficult because of the war.

Write: OECD Publications Center, Suite 1305, 1750 Pennsylvania Ave. NW., Washington, D.C. 20006.

International Commerce available on microfiche

The Department of Commerce has made arrangements with the University Microfilms Library Services of the Xerox Corp. to make available back issues of *International Commerce* on microfiche and microfilm. The cost for a year's editions is $9.50.

Issues from the years 1961-67 are now available.

Write: University Microfilms Library Services, Xerox Corp., Ann Arbor, Mich. 48106.

***The Chinese Manufacturers' Association of Hong Kong 1967 Directory of Members.* Published by the Chinese Manufacturers' Assn. Hong Kong. 1967. 438pp. Free.**

The Chinese Manufacturers' Assn. of Hong Kong publishes this directory of its 1,600 members to provide information for prospective buyers, and revises it every two years.

In addition to an alphabetical listing, the directory includes an index by products, and an introduction containing information on business registration, earnings and profits tax, stamp duty, exchange control, free port status, and other factors of importance to anyone doing business with Hong Kong.

A limited number of free copies are available from Commerce Department Field Offices.

***Technological Forecasting in Perspective.* By Erich Jantsch. Published by the OECD. Paris. 1968. $8.70.**

This survey includes an investigation of some 100 forecasting techniques, a study of the organization of forecasting activities, particularly in U.S. industry, an annotated bibliography of more than 400 reference works, and a report on forecasting institutions. The author predicts that forecasting can be expected to assume importance in reaching social goals and national objectives, matters of great concern to governments.

Dr. Jantsch examines the methods used by the big computer companies and other leading industrial concerns to shape the future. The survey is based on visits to industry, military administrations and research institutes in 13 countries. The investigation was carried out as part of the OECD's research on technological trends related to economic and social growth in the 21 Member countries.

Write: OECD Publications Center, Suite 1305, 1750 Pennsylvania Ave. NW., Washington, D.C. 20006.

***U.S. Foreign Agricultural Trade by Commodities, Fiscal Year 1966-67.* Published by the U.S. Department of Agriculture. 1968. 38pp. Free.**

A supplement to the monthly *Foreign Agricultural Trade of the United States,* this is a publication of the Economic Research Service of the Department of Agriculture. Tables are included for value and quantity of selected commodities and groups, and of agricultural commodities, for both exports and imports. Figures cover 1966 and 1967.

Write: Information Service Branch, FAS, Room 5918, U.S. Department of Agriculture, Washington, D.C. 20250.

***Korea: Determined Strides Forward.* Published by the Chase Manhattan Bank. New York. 1967. 19pp. Free.**

A comprehensive economic survey conducted by the Chase Manhattan Bank is summarized in this booklet. Background information, current statistics, and prospective developments serving to document Korea's economic growth and potential trade and investment opportunities are included.

Write: The Chase Manhattan Bank, N.A.; 1 Chase Manhattan Plaza; New York, N.Y. 10015.

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Calendar *for international traders*

ATLANTA—Apr. 11—In-Office Export Conference, Commerce Field Office. Sponsors: Commerce Field Office, REEC.

BOSTON—Apr. 16-17—Businessmen's Consultation, **Wolfgang F. Robinow, Trade Center Director, Frankfurt.** Sponsor: Commerce Field Office.

CHICAGO—Apr. 9—Automotive Exporters' Club of Chicago, Builders Bldg.

CHICAGO—Apr. 11—Int'l Trade Club of Chicago, LaSalle Hotel.

CHICAGO—Apr. 16—In-Office Meeting. Sponsor: Commerce Field Office.

COLUMBIA, S.C.—Apr. 12—Governor's Conference on World Trade, Wade Hampton Hotel, 10 a.m.-2 p.m. Speakers: John R. Kimberly, chm. of board, Kimberly-Clark Corp. and NEEC member; Gov. Rob't E. McNair. Sponsors: Commerce Field Office, REEC.

HARRISBURG, Pa.—Apr. 9-10—2nd Annual Int'l Trade Seminar on Pennsylvania & the Far East—a Profitable Partnership, Penn Harris Hotel. Sponsor: Pa. Dept. of Commerce.

HARTFORD—Apr. 10—First of 5 weekly foreign trade classes, Hartford Nat'l Bank & Trust Co., 7 p.m. Sponsors: Commerce Field Office, REEC, Hartford Nat'l Bank & Trust Co.

HARTFORD—Apr. 15—Businessmen's Consultation, **Wolfgang F. Robinow, Trade Center Director, Frankfurt.** Sponsor: Commerce Field Office.

JACKSONVILLE—Apr. 4-5—7th Annual Florida World Trade Conference, Hotel Roosevelt. Theme: Bridging the Oceans for Profit.

KANSAS CITY—Apr. 9—Trade Expansion Program, individual consultations, luncheon, Plaza Inn. Sponsors: Commerce Field Office, REEC, CASL, Int'l Trade Club.

KANSAS CITY—Apr. 11—In-Office Workshop for Exporters, Federal Office Bldg., 2 p.m Sponsors: Commerce Field Office, REEC.

LOUISVILLE—Apr. 3—Kentuckiana World Commerce Council meeting, Executive Inn, 6 p.m. Speaker: William B. Kelly, Jr., Office of the Special Representative for Trade Negotiations. Sponsors: Kentuckiana Council, Commerce Field Office.

Calendar deadline

Information for publication must be received three weeks before the date of the announced event. Include time, place, sponsoring organization and special topic, if applicable. Meetings must be open to the public in order to be publicized in this space. **Write:**

Managing Editor,
International Commerce
BIC-204
U.S. Department of Commerce
Washington, D.C. 20230.

MEMPHIS—Apr. 16—Memphis World Trade Club, "Trading With Japan," Sheraton Motor Inn.

MILWAUKEE—Apr. 4—Milwaukee Assn. of Purchasing Agents meeting on the Kennedy Round, Holiday Inn Central, 2 p.m. Speaker: **Allen H. Garland, Bureau of Int'l Commerce, Commerce Dept.**

MILWAUKEE—Apr. 4—Milwaukee World Trade Club annual meeting on the Kennedy Round, Holiday Inn Central, 7 p.m. Speaker: **Allen H. Garland, Bureau of Int'l Commerce, Commerce Dept.**

MINNEAPOLIS—Apr. 16—In-Office Export Conference. Sponsors: Commerce Field Office, REEC.

NEW YORK—Apr. 3—Profits in Exports meeting, Nat'l Bank of N. America, West Hempstead, Long Island. Sponsors: Commerce Field Office, REEC, Nat'l Bank of N. America.

NEW YORK—Apr. 15-16—Businessmen's Consultation, **Hilding A. Peterson, Commercial Officer, Rotterdam/to Toronto.** Sponsor: Commerce Field Office.

NEW YORK—Apr. 16—Int'l Executives Assn. luncheon, Hotel Statler Hilton, 11:45 a.m. Speaker: Hugh Hyde, pres., Johnston Int'l Publishing Corp.

PITTSBURGH—Apr. 3—Int'l Credit Club, Board Room, Chamber of Commerce, 7 p.m. Speaker: Ned V. Collander, port director, City of Erie.

ST. LOUIS—Apr. 2—Show You Export Workshop, Conference Room, Federal Bldg., 2 p.m. Sponsors: Commerce Field Office, REEC.

SAN FRANCISCO—Apr. 8-12—Course on Fundamentals of Int'l Business, San Francisco Hilton Hotel. Sponsor: American Management Assn.

SHEBOYGAN, Wis.—Apr. 9—Export Workshop, Sheboygan Area Chamber of Commerce. Sponsors: Milwaukee Commerce Field Office, REEC, Chamber of Commerce.

WEIRTON, W. Va.—Apr. 10—Int'l Trade Seminar, Community Center, 10 a.m. Sponsors: Charleston Commerce Field Office, Chamber of Commerce, REEC, Small Business Admin.

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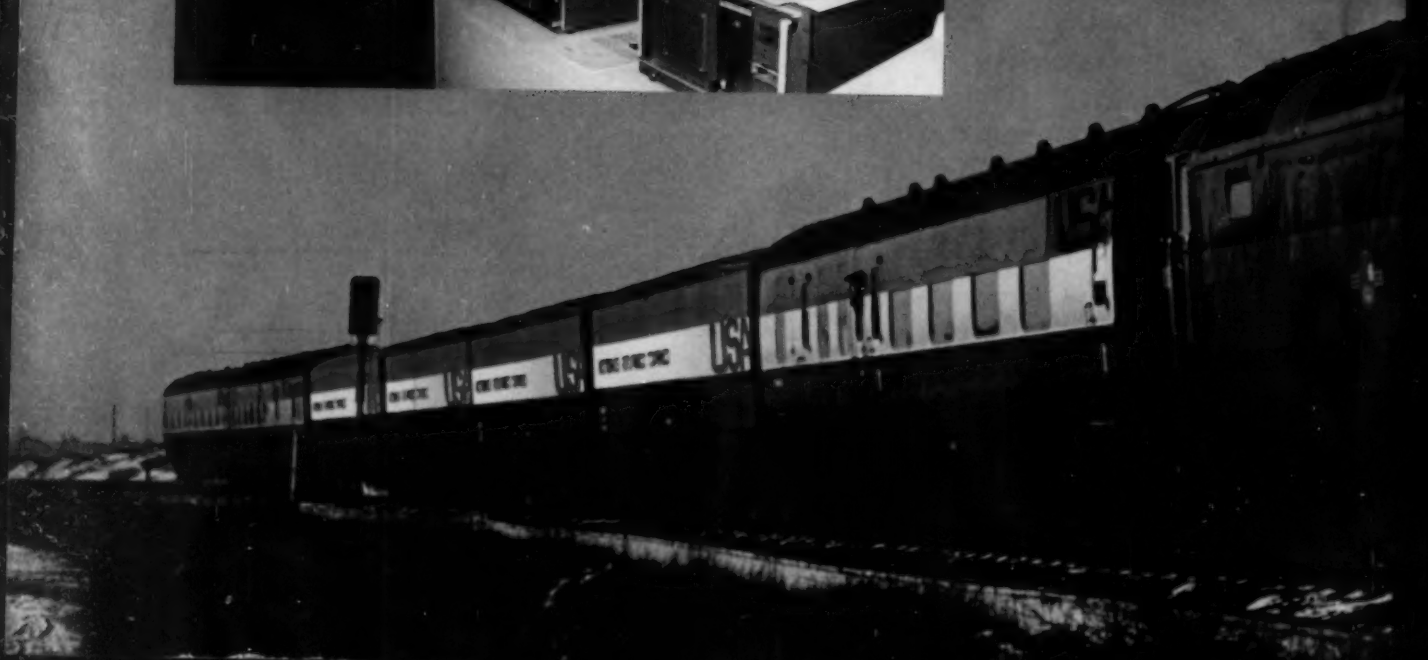
Export train on the track to seven million in U.S. sales